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FINANCIAL TIMES

PUBLISHED IN LONDON AND FRANKFURT

Thursday November 29 1979

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NEWS SUMMARY

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COMPANIES

HEF PRICE CHANGES YESTERDAY

Table with columns for RISES and FALLS, listing various stocks and their price changes.

£150m losses may force BSC into further cuts

BY ROY HODSON MORE stringent steps to reduce steelmaking capacity are being discussed with the Government by Sir Charles Villiers...

Closure threat forced union to halt BL strike

BY ALAN PIKE, LABOUR CORRESPONDENT UNION LEADERS decided against an official strike at BL after being threatened with mass dismissals...

Iran's 25% Krupp stake frozen

BY OUR FOREIGN STAFF MORGAN GUARANTY of the U.S. has succeeded in freezing the Iranian government's 25.02 per cent stake in Fried Krupp...

SADR SACKED AS FOREIGN AFFAIRS CHIEF

Mr. Abol Hassan Bani Sadr, the man responsible for the decision to default on Iran's public debts, has been sacked as the country's effective foreign minister.

CONTENTS

Table listing various news items and their page numbers, including Dublin summit, Marketing, Economic viewpoint, Ireland's economy, Politics of modern Arabia, and various market sections.

Britain faces stormy summit

By Guy de Jonquieres, Common Market Correspondent in Brussels MRS. MARGARET THATCHER faces one of her toughest challenges today when she meets other EEC leaders in Dublin for what promises to be a stormy European summit over the size of Britain's net contribution to the Common Market budget.

Exxon may spend \$3bn on shale oil

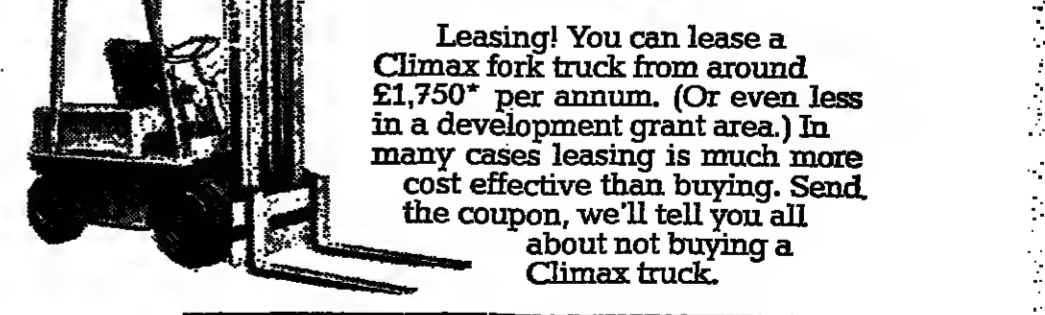
BY STEWART FLEMING IN BOCA RATON, FLORIDA MR. C. C. GARVIN, chairman of Exxon, the world's largest oil company, yesterday supported the Carter Administration's proposals for the rapid development of a synthetic fuels industry.

Limited support for new stock

BY PETER RIDDELL, ECONOMICS CORRESPONDENT THE NEW long-dated gilt-edged stock had attracted only limited support when the offer closed yesterday morning.

Table titled '£ in New York' showing spot and 12-month rates for various currencies.

ONE VERY GOOD REASON FOR NOT BUYING A CLIMAX FORK TRUCK.



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EUROPEAN NEWS

Brezhnev attacks mismanagement and inefficiency

BY DAVID SATTER IN MOSCOW

IN THE face of rapidly slowing Soviet economic growth, Mr. Leonid Brezhnev, the Soviet President, yesterday delivered a sweeping attack on Soviet mismanagement and inefficiency.

He said it had become necessary to find the guilty parties behind every "shortage, carelessness, irresponsibility and bungling" — and to punish them.

Mr. Brezhnev announced in his speech that the Soviet grain harvest for 1979 had been a disappointing 179m tonnes, the worst result in the past four years.

The timely shipment of vital cargoes, leading to shortages of fuel, ore, timber and grain.

completed before anyone realised supplies of fuel and raw materials were unable to support it, or when a new engineering enterprise worked at half capacity because there were not enough cadres to staff it.

little attention to the drying, sorting and cleaning of the harvest, with the result that much of what was cut was subsequently lost.



President Leonid Brezhnev

Only in this way would it be possible to avoid returning every year to the same questions.

EEC faces crisis over 1980 budget changes

By Margaret Van Hatten in Brussels

THE EEC appears to be on the verge of a financial crisis following a decision yesterday by the European Parliament's budget committee to recommend that Parliament reject the Community's 1980 budget.

The move is in retaliation against the Council of Ministers, which last week threw out most of the Parliament's proposed amendments to the budget. This would have increased spending in the Community's poorer regions and cut surplus.

Norway curbs Statoil privileges

BY FAY GJESTER IN OSLO

SOME SPECIAL privileges accorded to Statoil, Norway's state oil company, have been temporarily whittled down, as a result of two surprise votes in the Norwegian Storting (Parliament) on Tuesday.

specific approval—to allocate to the company all royalty oil from Ekofisk until 1985, and from Statfjord and Murchison until 1983.

But the non-Socialist proposal says Norwegian companies must not be asked to pay any of the state company's costs.

Dutch face nuclear waste row

By Charles Batchelor in Amsterdam

THE DUTCH Government faces a row in Parliament over new reprocessing contracts signed by the country's two nuclear power stations and factories in the UK and France.

Schmidt expects vote in favour of N-power

BY ROGER BOYES IN BONN

WEST GERMAN Chancellor Helmut Schmidt said yesterday he expected the Social Democratic Party's crucial Congress next week to vote clearly in favour of nuclear power as an interim source of energy.

Warsaw pact plea to Tirana

By Leslie Collett in Berlin

THE WARSAW pact countries have made their strongest appeal yet to Albania to resume "normal relations" with the Soviet Union and its allies, which ended 18 years ago when Albania broke with Moscow and turned towards Peking.

Costs 'could cut oil field' life

BY OUR OSLO CORRESPONDENT

THE HEAVY cost of inspecting and maintaining offshore oil and gas platforms could shorten the life of some fields, according to Mr. Carl Anderson of Phillips Petroleum.

where it is operator, simply to find and repair faults and damage to structures and pipelines above and below sea level.

Reuter adds from Stavanger: Total production of oil and gas in Norway's continental shelf reached around 31,06m tonnes in the first 10 months of this year, compared with 24,88m in the same period of 1978.

Bank rate up to 9 1/2%

By Our Amsterdam Correspondent

THE DUTCH central bank raised bank rate with effect from today to 9 1/2 per cent from 8 1/2 per cent, to bring it into line with domestic and international interest rates.

France raises minimum wage

By David White in Paris

THE FRENCH Government yesterday made a gesture towards improving the lot of the lowest-paid, raising the minimum wage by slightly more than the statutory amount.

Swiss pledge to cut budget deficit in 1983

BY BRIJ KHANDARIA IN GENEVA

The Swiss Government will drastically cut spending to bring the yearly budget deficit in SwFr 500m (£147m) in 1983, from an estimated level of SwFr 3,3bn, Mr. Georges Andre Chevallaz, the Finance Minister, announced in Parliament at Bern.

The Ekofisk area produced 14,74m tonnes of oil and natural gas liquids, compared with 14,11m tonnes for the same period in 1978.

German steelmakers bid to cut strike losses

BY OUR BONN CORRESPONDENT

WEST GERMAN iron and steel producers have decided to join a protective association set up to compensate employers for financial losses incurred during strikes.

As a result of the move, the Iron and Steel Federation (which groups all Germany's major steel producers) will receive about DM60m (£15.7m) — still far short of the actual losses during the six-week winter strike.

labour disputes. The Association's strike compensation fund is made up of contributions from the ten industrial federations. Membership of the protective association appears to have a certain deterrent effect on unions considering lengthy industrial action.

PROBLEMS FACE THE IRISH POUND

Tough break with sterling

BY STEWART DALBY IN DUBLIN

WHEN IRELAND'S Prime Minister Jack Lynch chairs the EEC Council of Ministers summit meeting in Dublin today and tomorrow, he will have to hold the ring between a belligerent Mrs. Thatcher, who wants a reduction in Britain's contribution to the EEC budget, and an intransigent President Giscard d'Estaing of France, who does not want the Common Agricultural Policy tampered with.

Irish pounds with sterling. The British and Irish pounds have not been freely interchangeable at par since March, when Ireland joined the European Monetary System (EMS) and Britain stayed out. And the four main Irish associated banks are now closed because of a dispute by 12,000 bank employees over the extra work involved in handling sterling transactions following the break with sterling.

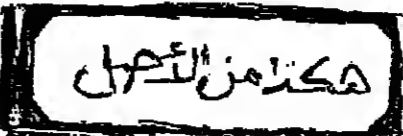
probably not be off by capital inflows. The Industrial Development Authority, Ireland's main agency for attracting new investment, reckons direct foreign investment from abroad could run £400m with luck.

Mr. George Colley, Ireland's Finance Minister. Ireland has a small open economy in which trade accounts for over 90 per cent of its GNP. By the end of this year a yawning trade gap of IRL2bn (\$2.55bn) is in prospect, close to the largest ever.

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# Michael Field examines the pitfalls of traditional Western explanations of the volatile politics of modern Arabia

## Warning signs the West should look for

A CENTRAL Intelligence Agency briefing document a few years ago described Prince Sultan bin Abdul-Aziz, the Saudi Arabian Defence Minister who played a key role in tackling the siege of the Great Mosque in Mecca as being "like a rising young executive." The phrase was a classic example of America's and the West's preoccupation with looking at the Middle East in their own terms.

In the past few weeks this habit has left Western policy makers bewildered by their inability to deal with the Ayatollah in Iran and groping to understand the significance of the events in Mecca on the first day of the new Muslim 15th century, when an important group of central Arabian tribesmen occupied the Great Mosque.

Prince Sultan, the brother of King Khaled and 13th son of Ibn Saud, the founder of the Saudi Kingdom, has been associated with the family group that has favoured high spending and industrialisation, even at the cost of a big inflow of foreigners and rapid change in a very religious, traditional society. As such, Sultan can be thought of as a relatively "modern" personality within the family. But if Western parallels have to be drawn it would be better to go back to the 15th century in Europe and compare him with a Medieval prince.

The role of any Saudi prince in government, his relationship with his brothers, his view of the Kingdom, his family rules and the bonds of tribe, marriage and bard cash payments to loyal servants — which are what hold it together — would all be familiar to princes in the latter Middle Ages. They bear little resemblance to the outlook of a Western minister, let alone a "young executive."

The West is now having to adjust to seeing the internal

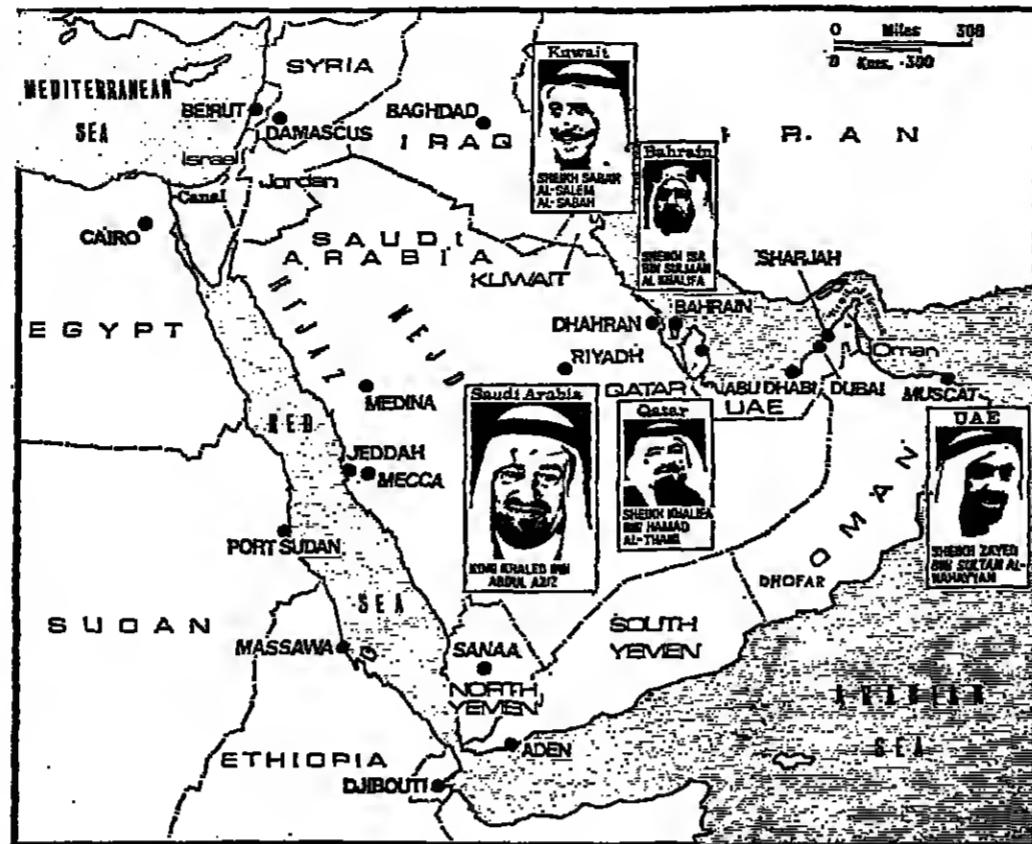
politics of Arabia in terms of the area's own culture. It has to understand something of the traditional priorities in the minds of Saudi princes and their subjects as well as the more familiar views expressed by the country's small, new technocrat class. This is important because all the destabilising events of the past year in Saudi Arabia and Bahrain, where there have been minor riots, as well as in Iran on the other side of the Gulf, have internal origins.

They have not stemmed from the Russian Indian Ocean fleet, the left wing Ba'athist regime in Iraq, the half million Palestinian immigrants in the Gulf, or the threat to the Straits of Hormuz, the narrow waterway at the mouth of the Gulf through which the tankers carrying 40 per cent of the free world's oil supplies pass.

The threat to the West, though, has been just as real as if the disturbances had sprung from a more conventional and easily understood source. At worst, an internal political upheaval in an Arabian oil producer could mean a complete stoppage of oil exports. Alternatively, disillusionment with the foreign cultural influence that fast development brings, which is what inspired the Bahraini demonstrations and the tribes who stormed the mosque in Mecca, might lead to slower rates of development spending.

This would mean fewer contracts in what has recently been the world's fastest growing market and a reduction in oil output to take account of the lower demand for revenue. On this issue, there has long been a debate in the Saudi ruling family, which the events in Mecca are now bound to influence in favour of the conservatives.

Arabia is a tribal society where people think in terms of



family, tribe and regional community, but not, in the first instance, in terms of modern nation-states living in an international world of interlocking interests. This is a pattern of society which Westerners dealing with Arabia acknowledge in conversation but tend, in practice, to disregard. They make a valid enough distinction between "nationals"—those in "the long white robes"—and Indians, Pakistanis, Egyptians and Palestinians, the second-class residents who do the labouring and technical work. On the surface the changing

environment in the Gulf—high-rise office blocks, industrial estates, pocket calculators and limousines—is Western. Beneath these misleading symbols, the lives that people live and their attitudes to their fellow men, their social priorities—the issues that really matter to them—remain deeply tribal.

The most important people in the world to a Saudi prince are the members of the royal family, who are austere revivalist Muslims with a long tribal history. Beyond them are the Najdis, the desert tribes and townsmen of the Saud family

Qatar and the United Arab Emirates.

Next come the religiously unorthodox, somewhat mystical Shias, mostly living in the Eastern Province or Bahrain, who are regarded as heretics and quite beyond the pale. Everyone else lies over the horizon. Foreigners, be they northern Arabs, Asian Muslims or Westerners, may be useful but they are not people of any importance.

Those of the great merchant families of Saudi Arabia, who are of Persian origin, will still be referred to as *ajnaib* (foreigners) by most of the royal family even if they arrived in Arabia 100 years ago. This world has nothing to do with the neat division of Arabians by modern nation-state. It is vital to understand that the political and personal relationships that matter to Arabians today are determined by what happened in the past. Who their ancestors have married, who their grandfathers fought alongside 50 years ago, what betrayals they suffered from other families are the things that pre-determine their relationships.

The attitude of the present ruler of Bahrain, for example, towards the large Shia community in his country—strongly linked to Iranians of the same faith—will be coloured by a hereditary dislike handed down from his forefathers. These community divisions have now been overlaid by a thick layer of modern immigrants, who have made the Arabians a minority in almost all the Gulf states and who are so different from Arabians of any type that they make the Arabians appear relatively homogenous. Other influences that have blurred the visible distinctions between communities have been oil-financed development and the bigger British presence in the Gulf states between World War II and 1971, which together

created the trappings of modern government.

Yet beneath the surface the divisions are still there, and under any large or small stimulus they re-emerge. The presence of the Ayatollah in Iran has, this year, caused disturbances among the Shias in Bahrain and the Saudi Eastern Province.

The crucial question for the West is how community divisions in Arabia could affect the security of the region. Where will loyalties ultimately lie if any modern regime starts to disintegrate in the style of Iran last winter? The answer is that the Gulf states would probably divide along community lines. What might follow would be that communities of central Arabian origin in the lower Gulf express their lack of confidence in the local ruler, turning instead to the dominant Saud family, many of whose members make no secret of their ambitions to bring the entire Gulf coast into their realm.

The growing authority of Saudi Arabia over the Gulf states has been one of the notable features of the last few years. In the face of the disintegration of a Gulf state and its absorption into Saudi Arabia there is very little that the West could do, or should want to do. Although the Arabian rulers are all fundamentally pro-Western in their foreign policies outside the Middle East, and have personal links with Britain and the U.S., they have expressed profound disquiet following the events in Iran. The possibility of U.S. military intervention to protect oil supplies deeply worries them. They feel that intervention would be liable only to cause an eruption in other neighbouring states.

Internal security problems in the Gulf are tribal matters, which have to be solved in a tribal context and are not amenable to Western remedies. Mary Frings reports from Bahrain: All non-essential U.S. embassy staff in Qatar were told to leave yesterday, and U.S. commercial companies were advised to send their families out of the area. In Bahrain where there are about 1,500 U.S. citizens and families, the embassy was moving out non-essential staff and families but has not advised anyone else to leave. A warning was issued that all expatriates should keep a low profile during the Moslem period of Moharram which comes to a climax today and tomorrow.

## Insurance ruling angers Kuwaitis

By Our Foreign Staff  
KUWAIT has rejected the decision by leading Lloyd's underwriters to raise the war risk premium from 0.025 per cent to 0.05 per cent for journeys to the Gulf by ships of all flags.

## More Overseas News Page 21

challenged." The Ministry of Commerce and the Chamber of Trade and Industry are to discuss counter-measures.

Extra cover is being asked if owners want to insure against "lock-in" risk in the event of a closure of the Strait of Hormuz.

Higher premiums have been introduced by a number of major brokers specialising in war risk but it has been left to underwriters to set rates individually.

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## Toll of 257 feared in Antarctica crash

BY OUR WELLINGTON CORRESPONDENT

THE BURNT-OUT wreckage of an Air New Zealand DC-10 was found in the Antarctic yesterday but there were no reports of survivors from among the 257 people aboard. The airliner had been on a sightseeing flight.

Search headquarters in Auckland said a U.S. aircraft sighted the wreckage on the icy slopes of Mount Erebus, 11,300 feet, out far from New Zealand and U.S. Antarctic bases at Scott and McMurdo.

Within minutes of the sighting, rescue teams at McMurdo set out for the wreckage which was scattered over an area of more than 200 yards. The sighting was made three hours after Air New Zealand announced that the aircraft was lost.

A spokesman for New Zealand's civil aviation division said the authorities had an immediate plan to ground all New Zealand's other DC-10s. The airline operates a fleet of Boeing 737 and Fokker Friendship aircraft for its internal services, and uses DC-8 and DC-10 series 30 aircraft on international routes.

Lynton McLain writes: The crash of the Air New Zealand DC-10 comes six months after the worst air disaster in U.S. in which an American Airlines' DC-10 crashed on take-off from Chicago airport, killing 264 passengers and 12 crew.

It was established after the Chicago crash that the U.S. airline used engine maintenance procedures, McDonnell Douglas. The change in procedure was thought to have contributed to the crash.

No information is available about the cause of the crash in Antarctica. But it would be surprising if problems with one of the engines or their mountings caused the crash, since aircraft undergo relatively few big stresses when cruising at altitude compared with take-off or landing.

Despite a good safety record Air New Zealand was hit hard by the grounding of its DC-10 fleet after the Chicago accident and since then has invested heavily in an advertising campaign to reassure customers.

## Saudis to widen oil outlets

By James Buchan in Riyadh

SAUDI ARABIA is to concentrate on outlets for its crude oil, other than the Gulf waterway, apparently in the light of increasing uncertainty about the security of the Strait of Hormuz. It is understood that there are plans to export as much as 6m barrels a day from terminals other than Ras Tanura and Juaymah, north of the strait.

Petromin, the state oil company, is already constructing a 48-inch crude pipeline from the Abqaiq processing centre in the oilfields to Yanbu on the Red Sea coast. The pipeline, which is to be completed in mid-1981, will have an initial throughput of 1.85m b/d. Capacity was to go up to 2.45m b/d in 1982.

But Sheikh Eisham Nazer, the Saudi Planning Minister, said at Yanbu recently that the line would carry 3m b/d. Hussein Lisjawi, a director of the pipeline, has confirmed that capacity could be boosted to 3.5m b/d. That would be more than a third of Saudi Arabia's current production of 9.5m b/d.

Petromin is working out a fee structure for the line, and there have been suggestions that space in the expanded capacity might be sold to other Upper Gulf producers, particularly Kuwait.

Meanwhile, a long-standing proposal to construct a pipeline to an outlet to the seaward side of the strait has been revived, according to a Saudi official.

The official said that at a Foreign Ministers' conference, called in Taif in October to discuss Gulf security, Oman was invited to consider the revived project. The Omanis are said to have been in favour of a line to the east coast, rather than to the south, which might involve Saudi Arabia in the continuing problem of Dhofari dissidents.

Oil industry officials say that an area shaped like a new pipeline would be Aramco's Retained Area Five, and area shaped like a triumphal arch in the Empty Quarter, and by far the southern-most point at which Aramco has discovered oil in quantity.

## Moi adds three Ministers to President's office

BY JOHN WORRALL IN NAIROBI

KENYA'S President, Mr. Daniel Arap Moi, yesterday announced a new Cabinet in which he retains only six Ministers in their previous jobs. But he has taken care to preserve the regional balance adopted by his predecessor, the late Jomo Kenyatta.

Mr. Moi has strengthened the President's office by appointing three Ministers of state and has taken defence under his wing by appointing the veteran Mr. James Gichuru, former Defence Minister, as one of the Ministers of State.

All the former Ministers who survived the recent general election have been given jobs, but some have been given new portfolios.

Finance stays with Mr. Mwai Kibaki, the Vice-President, and the Attorney-General is Mr. Charles Njonjo.

Mr. Moi has created several new ministries and dissolved old ones. A new Ministry of Energy

has been created with Dr. Munyua Waiyaki, the former Foreign Minister, in charge. The Foreign Ministry has gone to Dr. Robert Ouko.

Agriculture has been split into two Ministries, Crops Production and Livestock Production.

A new Ministry of Industry has been created with special responsibility for industrialisation, technology and market developments. Mr. E. P. Mwangi, former Commerce and Industry Minister, has been put in charge.

Mr. Philip Leakey joins a new Environment Ministry as an Assistant Minister. Mr. Leakey is the first European to be elected to the Kenyan Parliament since independence.

In a surprise announcement, Mr. Moi said he had appointed Mr. Oginga Odinga, a former Vice-President who was detained by President Kenyatta, as chairman of the state-controlled Cotton Board.

## Zaire seeks \$300m Western aid

BY MARK WEBSTER IN BRUSSELS

ZAIRE is hoping for at least \$300m in emergency aid, as well as balance-of-payments support from the 10 Western nations attending a two-day meeting in Brussels.

The meeting, which ends today, is the last in a series of three organised by the Belgian Government to see what can be done to help the crippled economy of the strategically important central African state.

The emergency aid, which would be in addition to a

recently agreed International Monetary Fund loan of \$150m, would cover three categories: humanitarian aid including food and drugs, fuel, which is the largest single item on the import bill, and raw materials and spare parts for the badly neglected manufacturing and transport sectors.

Additional help is required from the Western countries because, despite measures introduced after the last Brussels meeting in November, 1978, the economy is still in grave difficulty.

Zaire was reported to have agreed with the IMF on a level of external financing for its balance-of-payments deficit of \$450m for the current financial year. But it has now become apparent that further support will be necessary.

If an agreement on short-term help is forthcoming from the Western nations, two further meetings will be held to consider Zaire's debt burden, which, according to Belgian officials, amounts to \$4.6bn, including short-term commercial debt and invisibles.

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WORLD TRADE NEWS

EEC eases Comecon stand

MOSCOW — Negotiators for the European Economic Community have offered new compromise proposals to the Comecon bloc aimed at signing an agreement on co-operation between the two economic groups, officials close to the talks reported yesterday.

Details of the compromise offer were not available, but they were believed to involve wording providing for a greater recognition by the Common Market of Comecon's role as a trading organisation.

In six years of negotiations with the 10-member Comecon bloc, the Common Market has maintained that the two bodies were not essentially the same. Brussels has claimed that, while the EEC negotiates trade accords on behalf of its mem-

bers, the Communist Comecon powers yield no sovereignty to their central organisation, which is a consultative rather than trading body.

In negotiations in Brussels in November, Common Market negotiators—in an earlier compromise—agreed that trade relations could be mentioned in a preamble to a document on co-operation.

But Comecon has held out for specific references to a need for most-favoured-nation treatment in trade between the two blocs and to the possible provision of credits.

The 10-member European delegation is headed by Mr. Wilhelm Haferkamp of the European Commission, who held meetings with Mr. Nikolai

Faddeyev, the Comecon secretary.

Comecon, which embraces Cuba, Mongolia, Vietnam and all East European countries, with the exception of Albania and Yugoslavia, wants a trade deal with the Common Market but does not want to recognise the competence of the EEC Commission to sign agreements for its nine member states.

Taiwan has announced relaxation of its trade restrictions with Communist countries by waiving a ban on raw materials from Eastern Europe.

Mr. S. K. Shao, the Board of Foreign Trade's director-general, told Parliament that certificates of origin would no longer be required for imports of industrial raw materials. Agencies

Kawasaki and MBB in helicopter venture

By Roger Boyes in Bonn

MESSERSCHMITT-Boelkow-Blohm (MBB), the West German aerospace concern, has decided to go ahead with the joint production and marketing of a new medium-sized helicopter with Kawasaki Heavy Industries of Japan.

So far the BK-117, which has up to 12 seats, has been at the prototype stage but a production line of between 700 and 1,000 during the 1980s has now been decided. The helicopter will broaden considerably MBB's commercial range and it is hoped that the Japanese connection will not only keep production costs down but also provide access to new markets.

The Japanese are to construct, among other things, the fuselage while MBB will produce the steering system and the rotor blades.

The project has been backed by the West German Economics Ministry and the Japanese Ministry for Trade and Industry.

Three prototypes have already been built of the new helicopter which fills the gap in the MBB programme between its small six-seater, the BO 105, and the one end and the military helicopter and 24-tonne multi-purpose EH101 at the other end of the scale.

Iran move to boost trade

BY ANDREW WHITLEY

IRAN has notified the Westminster Chamber of Commerce, one of the largest British organisations involved in the once highly lucrative trade, that it would welcome the growth of bilateral trade again, provided ways can be found around the present block on dollar payments.

The embattled Middle East oil producer announced yesterday it had converted all dollar denominated letters of credit into major European and Asian currencies, including the Deutsche Mark, sterling and the yen.

Mr. Morteza Movahed, managing director of Iran's Foreign Trading Company, was reported by the official Pars news agency as saying the changeover was intended to help exporters ship goods to Iran without problems.

Uncertainties surrounding the U.S.-ordered freeze on Iranian financial holdings in U.S. banks and fears created by reports that Iran may not honour its foreign debts have slowed down normal trade and provoked a flurry of legal action around the world.

However, Iranian anxiety to maintain normal trade was underlined by the letter received yesterday by the Westminster Chamber in London from the Tehran Chamber of Commerce, Industries and Mines, a Government-sponsored body. It was believed to be the first direct contact of its sort since the start of the present crisis nearly a month ago.

The Tehran Chamber assured British exporters that the Cen-

tral Bank of Iran "is able to convert all contracts made in dollars to one of the other international currencies."

It proposed that, by mutual agreement, opened, but un-utilised, letters of credit could be altered immediately, but did not indicate how the financial losses involved in switching out of dollar payments, which represented the bulk of Iranian trade, could be made up.

Reports from Tehran say an immediate effect of the cessation of Iran's international trade in dollars has been a slump in the flourishing free market in foreign exchange. The value of the U.S. currency is said to have fallen 15 per cent from its peak level of 130 Rials to the dollar, but remains 50 per cent above the long outdated official rate of 70.6 Rials.

Yugoslavia considers BAC 1-11 purchase

Financial Times Reporter

THE VISIT of a team of top ranking Yugoslav Government representatives to the British Aerospace factory in Bournemouth yesterday, could result in an order worth over \$80m for BAC 1-11 jet aircraft.

Yugoslavia is interested in several aircraft in the British Aerospace stable and will be visiting other factories. There are hopes of a collaborative deal similar to the one with Romania, which produced a multi-million pound contract involving more than 90 BAC 1-11s.

The Yugoslavs are believed to be interested in up to ten 475 and 500 series aircraft, and are also interested in buying five British Aerospace 748s.

The British Ministry of Defence has awarded a £35m contract to Bombardier of Montreal for 1,300 motorcycles for the British armed forces, including replacement parts. Robert Gibbons writes from Montreal. The order is expected to be completed by next October and is a follow-up on a contract for 880 motor cycles delivered late last year.

Marubeni wins smelter bid

BY DANIEL NELSON IN MANILA

A CONSORTIUM led by Marubeni of Japan is to build a \$250m (\$115m) copper smelter in the Philippines. It was announced in Manila yesterday.

The terms of the agreement specify that construction must be completed within 36 months of the signing, which is expected to take place in mid-December.

Marubeni agreed to 100 per cent financing with a maturity period of 15 years, which puts the money outside the borrow-

ing scope of the ceiling imposed on the Philippines by the International Monetary Fund.

A statement by Mr. Roberto Ongpin, the Minister of Industry, said Marubeni had also agreed to a package of guarantees covering engineering and mechanical performance, and time scheduling. Provision has been made for contingency and construction cost escalation. Interest is fixed at 8 per cent a year.

The statement noted that

because of movements of the dollar against the Yen, the \$28m difference between the Marubeni offer and that of the nearest competitor had risen to \$59m.

Plant capacity will be 110,000 metric tons of refined copper a year and 28,000 metric tons of blister.

Members of the Marubeni consortium are Mitsui Mining and Smelting, Mesco, and Furukawa.

£75m UK scrap steelexports

BY RAY PERMAN, SCOTTISH CORRESPONDENT

BRITISH scrap processors will export up to £75m in steel this year, with an increase in shipments following the six month period of relaxation of controls, which started in September.

Mr. John Smith, president designate of the British Scrap Federation, said yesterday that companies were having to sell abroad to make up for the fall in demand for scrap in the home market.

"If the export controls had not been lifted, we would have been in serious trouble indeed, since demand in the domestic market is to wane prices have fallen since their peak in the middle of the year."

The British scrap industry expected to export some 1.1m tonnes this year, half to countries inside the EEC and most of the rest to other European states outside the Community. This will be 500,000 tonnes less than in 1978, when there was also a period of relaxation in export controls.

However, the higher average price this year and the greater proportion of high-quality scrap now being exported means that the value will be around £20m more than last year.

Demand for scrap in the UK has fallen, largely following the drop in production of steel and the tight cost controls being imposed by the British Steel Corporation. This was causing problems for scrap processors, Mr. Smith said.

Plea for improved air traffic control

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT, IN MANILA

THE WORLD'S airlines are to urge governments to take urgent steps to improve air traffic control procedures worldwide, but especially in Western Europe, so as to reduce the heavy delays that are now becoming almost a regular feature of air travel.

Mr. Adam Thomson, chairman of British Caledonian Airways, told the annual meeting of International Air Transport Association (IATA) here that airlines collectively were now losing millions of pounds annually and wasting valuable fuel resources because of the long delays resulting from over-saturation of existing air traffic control systems.

British Caledonian alone had lost some \$2m in revenue last year because of air traffic hold-ups throughout Western Europe, and for the industry as a whole this figure could be multiplied several times.

"This year I am sure many people have given up their plans to fly on holiday because of their bad experiences in the past caused by interminable delays in airport terminals or sitting in aircraft waiting for an air traffic slot," Mr. Thomson said.

As a result of these hold-ups there had also been an erosion of the normally friendly co-operation between air traffic controllers and pilots. Long flights were now becoming a game of chess between controllers and pilots with pilots filing a flight plan and then changing it in the air in an effort to "break the system."

Mr. Thomson said the problem could only be solved by governments because any improvements in air traffic control meant dealing with the sovereignty of air space, including the extensive amounts of air space reserved by many countries for military activities.

Knut Hammarskjold, IATA's Director General, said the organisation would like to see air traffic control systems being organised on a regional basis instead of on a country-by-country basis. This is regarded as the only way in which the current problems of over-saturation, fragmentation and in some countries, lack of adequate investment in suitable systems can be overcome.

"The best system plans in the world are useless until they are implemented in a systematic and well-co-ordinated way and until the management of the system is on a total regional basis," said Mr. Hammarskjold.

BANK OF CHINA Expanding role in world finance

BY COLINA MACDOUGALL

IN A year which has seen long maturities and fixed interest rates they offer borrowing, acceptance of UN-aid and buyers' credits, the London branch of the Bank of China is celebrating 50 years of business in the City.

It is symptomatic of its new flexibility that it is emphasising its continuity since 1929. The London branch has been going the full 50 years — despite the change of governments in Peking in 1949, it never closed its doors for business.

With an estimated \$13bn signed in government credits and about \$9bn in commercial bank loans, China now takes up about one seventh of government credits available worldwide and ten to 15 per cent of the Euro-currency market, the semi-official Washington-based China Business Review calculates.

Little further Eurocurrency borrowing is expected, though some is currently under discussion with West German banks. The Chinese have now turned their attention to the possibility of getting soft loans — notably the \$5.5bn amount they requested from Japan. Next may come borrowing from the World Bank, the IMF, and the Asian Development Bank.

This year the bank has broken other new ground, as a lender, though the amounts so far are small. In Hong Kong during the spring it joined the Bank of Montreal, the Bank of Tokyo and others in a \$42m syndicated loan to build an office block. Early this month, along with the Hong Kong and Shanghai Bank and Chase Manhattan, it became one of three joint managers in a \$100m loan for the China Cement Company to build a plant in the new territories. But lending, the Chinese say, will be confined to Hong Kong.

What will the bank do next? U.S. reports say that Chinese bankers have recently solicited advice on lending by American insurance companies. The advantages to Peking are the relatives in China.

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MANUFACTURER & TYPE			
WEIGHT BAND			
USAGE CATEGORY			
	GAG28AM		
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	20,600 KILOS		
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# £1,450 for Salvation Army set

AN AUCTION record for a set of lead "soldiers" was established at Phillip's yesterday when 25 Salvation Army figures, made by Britain in the 1930s, sold for £1,450 to a New York private collector. When originally marketed the set was priced at 5s. In the same sale a curate, also by Britain, realised £80, a record price for a single lead figure. A Britain's roundabout with six riders made £500 and a figure of a village idiot from the English village series, £55. At Christie's, a Charles II silver gilt porringer and cover of 1670 sold for £48,000, well over double its forecast, in an English silver sale which totallled £513,080. The buyer was How of Edinburgh.

# SALEROOM

BY ANTONY THORNCROFT  
A pair of Charles II covered vases by Thomas Jenkins, dated 1663, made £28,000 and Koopman bought a set of four two-handled bowls and stands by S. Herbert, 1751, for £16,000. A gold spoon of 1685 was bought by How for £18,000, well above estimate. An antiquities sale brought £249,467. The top lot, a Mesopotamian relief, failed to sell, but a Roman bronze of Dionysus, of around 100 AD, sold for £14,000 and a Romano bronze statue of about 200 BC went for £7,000. Sotheby's held major sales in London, Monte Carlo and Hong Kong. Another record price was £80,000 for Saint Sebastian and the Angel by Gustave Moreau. Femme Etendant du Linge, by Millet, sold for £68,000 and Carding Flax, also by Millet, for £46,000. In Monte Carlo, silver realised £1,302,169, with items from the Cartier collection totalling £539,944.

# Small airline may be first to fly 'feeder'

BY LYNTON McLAINE

THE FIRST contracts for orders for the British Aerospace 146 feeder airliner are expected to be signed by the middle of next year at the latest, the company said yesterday. The £250m project has been under way for six years, but until yesterday without a glimmer of an order for the 86-102 seat 55m aircraft. The State-owned corporation, in which the Government intends to sell shares to the private investor under a Bill now before Parliament has talked with 150 potential airline customers operating short routes.

Aurigny Air Services, which operates flights to the Channel Islands, said yesterday that it intends to buy at least one. It started talks with the corporation seven weeks ago and wants to take options on another two 146s. British Aerospace said yesterday a number of other airlines are likely to sign letters of intent to buy the airliner "in the not too distant future." Aurigny said a decision to go ahead with its plans depended on winning operating licences with effect from next April. Now using seven Trislanders, two Islanders and one Otter aircraft, it has applied to the Civil Aviation Authority to take over some of the 26 domestic routes to be abandoned by British Airways. Aurigny wants to take over services between Guernsey and London and Manchester, and to do so has formed a joint company with Aldair.

# Chemicals award for FT writer

SUE CAMERON, Financial Times chemicals correspondent, has won the Chemical Writers Award, sponsored by BASF, the German-based chemicals group. Ms Cameron was presented with a cheque for £1,000 by Baroness Phillips, Lord Lieutenant of Greater London, at a reception in the Cafe Royal, London. The award was made for her article on "Chemical Industry Counts the Huge Cost of Safety," published on June 20 this year. The judges said the article best met the requirements of the competition to have contributed most to readers' awareness and understanding of the chemical industry and its benefits to industry in general.

# AA pick best camp site

BRITAIN'S caravan and camping site of the year is a Cornish family business, says the AA's new guide "Trail" magazine. The Seaview International Park at Boswinger, near St. Austell, is described as an exceptionally well-run clean site on the unspoilt Cornish Coast, surrounded by National Trust headlands overlooking the sea on the Roseland peninsula.

# Lotus cut brings three-day working

By Kenneth Gooding, Motor Industry Correspondent

GROUP LOTUS, the sports car manufacturing group, has cut production of cars for the U.S. market. As a result about half of the 700 employees at the Norwich plant are working a three-day week. To avoid lay-offs and the possibility of losing some skilled people, Group Lotus is receiving help under the temporary short-time working compensation scheme introduced by the Labour Government and still operating. Under the scheme the company is getting State aid towards part of its payroll for one month. The decision to slow down production for the U.S. follows a change of marketing arrangements there. Rolls-Royce Motors is now responsible for the marketing and distribution of Lotus cars in the U.S., but it will take some time to complete the disengagement from Lotus's four distributors and around 45 dealers who previously handled the marque.

# Payroll

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# Output

Last year Lotus sold 240 cars in the U.S. out of a total production of 1,100. It expects the U.S. to take roughly one-third of its output every year. The company expects production for the U.S. to get back to normal in January. Other parts of the business, such as design and engineering, are working at full stretch.

# Burmah seeks more partners

BY RAY DAFTER, ENERGY EDITOR

BURMAH OIL is forming new oil exploration groups to bid for offshore concessions under the seventh round of UK licences to be announced shortly. The company already heads the Burmah Neptune group which, with British National Oil Corporation, is awaiting ratification of an award under the sixth round of licensing. It is understood that Burmah has been seeking more UK investors to enhance its prospects of gaining concessions in the next round. The oil industry generally feels that the Government will favour bidders with a high proportion of UK representation, particularly since BNOG has lost the automatic right to a 51 per cent interest in each block it had in the

sixth round. The Burmah Neptune group which has been conditionally awarded block 20/2, 50 miles to the northeast of Peterhead, consists of Burmah Oil Exploration (11.025 per cent); Charterhouse Petroleum (3.8 per cent); Petrosveale (3.8 per cent); Canadian Industrial Gas and Oil (Norceca) (7.25 per cent); Dutch State Mines (8.125 per cent); Norsk Hydro (4.9 per cent); and ENOC (51 per cent). ENOC has been designated the operator for the group. Burmah, however, is anxious to become operator of a successful seventh round licence. Having been forced to sell off some of its most promising assets in the Thistle and Nisan fields dur-

ing its financial crisis a few years ago, the Burmah exploration team is now attempting to rebuild its North Sea presence. As with other UK-based independent companies, it has been given some positive signals from the Government. Mr. David Howell, Energy Secretary, has said that he hopes that British independent oil companies will play a full part in further exploration activity. In response to such signals, a number of international drilling groups have strengthened their British interests in the hope of enhancing their chance of obtaining a seventh round block. It seems that the Government will issue fewer blocks than many had hoped—be-

tween 50 and 100—so competition will be brisk. It is expected that a high percentage of the offered blocks will contain attractive exploration acreage. AN ABERDEEN company has won a major North Sea engineering contract worth \$6m from Shell UK Exploration and Production. John Wood Group Engineering was awarded the work, the largest single offshore engineering contract won so far by a North-East Scotland company, against national and international competition. The one-year contract includes construction work on production platforms in the East Shetland basin operated by the Shell-Esox North Sea partnership.

# Ignore U.S. on Ireland says O'Brien

By Maurice Samuelson

IRISH AMERICANS who urge Britain to leave Northern Ireland "do not know what they are talking about," Dr. Conor Cruise O'Brien, a Minister in the last Dublin Government and editor-in-chief of the Observer, said in London last night. Dr. O'Brien has had a series of sharp exchanges with Irish American politicians. Recalling that Mr. Tip O'Neill, Speaker of the U.S. House of Representatives, had recently described him as "a silly senile son-of-a-bitch," he said: "The Speaker is five years older than I am." Dr. O'Brien, giving the annual Chinnich Lecture of the English Speaking Union, said those most endangered by encouragement of the IRA and the drift towards civil war were the people of all Ireland, both Catholics and Protestants.

# British Chemicals face threat from wine lakes

BY SUE CAMERON, CHEMICALS CORRESPONDENT

PROPOSALS to flood Europe's synthetic alcohol market with the hordes of the Common Market's wine lakes raise a series of disturbing questions for the UK. BP Chemicals will undoubtedly be hardest hit if the European Economic Community's draft regulation 8(3) on alcohol gets through in its present form. But other British chemical companies would also be adversely affected, and overall there would be serious implications for the UK's balance of payments. The plan could prove to be an excellent way of mitigating Europe's problems with wine lakes. But what it will mean effectively is that surplus agricultural produce will be dumped in the industrial sector—in Europe's own industrial sector, not someone else's.

The BP Chemicals plant at Baglan Bay has a capacity of 155,000 tonnes and it is a modern one, completed only six years ago. But the two Grangemouth plants are old and inefficient, and the company has decided to build a new one on the site at a cost of £57m. Work on the 100,000 tonnes a year plant has already started. But if regulation 8(3) on alcohol goes through, BP Chemicals could be forced to halt the Grangemouth project. It is hard to see how the company could do anything but resist the building of the new

company spent £250m (£450m) buying chemical businesses from Monsanto and Union Carbide. One of the main reasons for this was to ensure that it had outlets for its ethylene production. Ethylene, the so-called building block of the chemical industry, is made from the oil-based naphtha or from the gas ethane—both of which can be obtained from the North Sea. BP Chemicals uses a large amount of its ethylene to make ethanol. If it pulled out of the ethanol market, it would find itself with virtually the same difficulties in finding outlets for its ethylene production as it had before the Monsanto and Union Carbide deals last year. The EEC draft regulation would therefore bite deeply into the company's profits if it went through. It would also be likely to harm BP Chemicals' ethanol customers in the longer term. They would benefit from the subsidised low prices of EEC agricultural alcohol in the short term, but if BP withdrew from the ethanol market they could find their supplies endangered. What is more, prices for ethanol would probably then start to rise again. It is estimated that the total damage to Britain's balance of payments could be as high as £40m a year—the UK itself does not have a wine lake and would not benefit from the regulation. At the very minimum the cost would be around £20m a year. And BP Chemicals could be ruined into the bargain. Last week the Chemical Industries Association led a delegation to Sir Keith Joseph, the Industry Secretary, to point out the potential evils to Britain of the EEC proposal.



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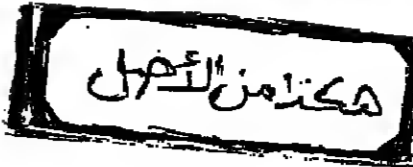
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### Napoleon threatens historic houses

BY MAURICE SAMUELSON

NAPOLEON BONAPARTE still strikes terror into the hearts of some of Britain's oldest families, judging by warnings heard at yesterday's annual meeting of the Historic Houses Association.

It stems from the possibility of Britain's tax laws being harmonised with those in Europe and the introduction of arrangements based on the Code Napoleon.

The tax is known as an "accessions tax" which Mr. George Howard, president of the association, believes could be introduced if the Government decides to replace the present Capital Transfer Tax.

That would be a "back door" move towards imposition of the Code Napoleon in this country," he told the association's annual general meeting held at the Royal Festival Hall.

Its introduction here would result in the break-up of historic houses and their contents, with everything having to be shared out among all those entitled to inherit, he said.

The association, representing more than 800 of Britain's finest historic properties, is a natural constituency for pro-Conservative sentiments. However, both Mr. Howard and the guest speaker, Tory MP Patrick Cormack, urged members to beware of making politics out of the national heritage, since any sectional concessions which they extracted from the Tories would probably be snatched back by a future Labour government.

Stressing the need for continued public assistance for maintaining listed buildings, Mr. Howard, who owns Castle Howard, in Yorkshire, was particularly worried that Conservative belief in "market forces" could hurt many fine large houses, particularly those which were not of supreme importance.

Mr. Cormack, foreseeing a danger that many houses might have to "put up the shutters" by the turn of the century, stressed the importance of the £12.5m National Heritage Fund due to be discussed in Parliament next week.

### Food to rise 20% say manufacturers

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

FOOD PRICES could rise by 20 per cent in the coming year, the Food Manufacturers' Federation said yesterday.

Mr. Derrick Hornby, the Federation's president, said substantial price rises were inevitable because of the continuing cost pressures on food manufacturers.

"These included the price of raw materials—particularly as a result of the European Economic Community's Common Agricultural Policy—and sharply rising packaging costs. Food manufacturers also face large wage claims in coming months.

Mr. Hornby added that interest rates of 18 to 20 per cent would add to cost pressures.

But he made clear that the 20 per cent rise in food prices he expected in the next 12 months would cover only these cost increases; they would not allow any major improvement in manufacturers' profitability.

"If we do not make adequate profits, we cannot invest in our industry. There will just not be enough in the kitty to replace worn-out machinery and innovate."

Food price inflation is about 12 per cent, compared with the overall inflation rate of 17 per cent. This is largely because most foods do not carry Value Added Tax, which was recently increased.

Mr. Hornby criticised the farmers call for a further devaluation of the "Green Pound." This would only lead to higher food prices. "If farmers keep putting their prices up, then consumption will continue to go down."

Mr. Hornby, who is divisional managing director of Spillers, which was recently taken over by Dalgety, is due to retire at the end of the year after three years as the federation's president.

His successor will be Mr. James Cleminson, the chairman and chief executive of Reckitt and Colman.

### Bigger mortgages to be easier

BY MICHAEL CASSELL

THE GOVERNMENT is to allow building societies to make larger loans more easily available, although the present lack of funds means the ruling will have little immediate impact.

Mr. Nigel Lawson, financial secretary to the Treasury, announced yesterday that the societies will be able to raise their special advance ceiling from £20,000 to £25,000 from January 1.

The societies are permitted to allocate only 10 per cent of total lending during any one year in tranches above the special advance limit, which has been at £20,000 since July, 1975.

The ceiling mechanism introduced in 1960 with an initial £5,000 limit—was intended as a prudential device to ensure that building society lending was confined to legitimate house buyers, with only a small proportion of funds going to corporate borrowers.

In recent years, however, respective governments have tended to use the ceiling as a device for helping to limit house price rises. Mr. Norman Grigg, secretary general of the Building Societies Association, said yesterday it was "wrong in principle" to use the ceiling to help contain prices and said the societies had accepted the new £25,000 limit with "great reluctance."

Even when building societies are enjoying high levels of receipts, they rarely get close to the 10 per cent special advance limit and there is no chance of them doing so while mortgage funds remain below the level required to meet demand.

### Engineering plant-makers urge 'buy British' policy

BY HAZEL DUFFY, INDUSTRIAL CORRESPONDENT

MAKERS of heavy engineering equipment are seeking Government support in their campaign to ensure that orders are placed in the UK for the Shell and Esso petrochemical plants to be built at Mossmorran in Fife, Scotland.

Mr. Harry Hornby, director-general of the Process Plant Association, said yesterday: "The process plant industry does not seek protectionism. But it does seek that British-based buyers should take a more nationalistic approach to their purchases in the same way as would be followed in such countries as France, Italy, Germany, and Japan."

"It is high time Britain demonstrated the same concern as France for its own domestic industry."

Sir Keith Joseph, the Industry Secretary, has agreed to meet senior representatives of the industry shortly.

They will tell him that they think purchasing organisations should be required to inform the Government before placing substantial orders overseas, so that everything can be done to ensure that UK companies can supply.

Mr. Hornby said the heavy fabrication section of the process plant industry was in a crisis. The rate at which new orders were taken by heavy fabricators had fallen from £100m at the end of 1977 to £40m this year. Employment by heavy fabricators had dropped by 27 per cent in the past two years.

The association says that the Mossmorran plants present an opportunity for the industry to be maintained in a period which is proving exceptionally difficult worldwide, ready for an expected upturn in orders in the next decade.

It is understood that Shell, which has already placed some orders for the gas separation plant to be built at Mossmorran, has sourced only 60 per cent in the UK.

Mr. Hornby said the Department of Industry "fully understands our views and is considering how it can best assist the industry. We hope it will decide soon."

He described it as a "core" industry which must remain intact.

"It may be that as a matter of national policy we will need to formulate a firm strategy based on a group of core industries such as heavy engineering, which must be maintained to ensure a balanced economy."

### King advises on council cuts

FINANCIAL TIMES REPORTER

MR. TOM KING, Local Government Minister yesterday gave local authorities a few tips on how to save money.

Addressing a London seminar of the Institute of Management Services, he told local government executives to encourage their authorities to look at the whole operation in a much more radical, objective and constructive way.

"I am not laying down the law on what local authorities should do. It is up to local government to take their own decisions—within the Government's overall framework of financial control." But he put forward a few ideas on how to cut costs.

One authority, he said, which had previously checked all invoices, started a system of selective checking and saved £20,000 a year.

Mr. King said that government was a great waster of energy, and any authority that could not save 10 per cent of its energy consumption had not really begun to cut costs. One authority had spent £676 to install simple thermostat controls in its swimming pools and saved £7,000 in the first year.

The Minister said that "mindless militancy and chants of No Cuts" constituted a superficial and unrealistic approach. While he was speaking, union and Labour Party representatives were gathering in London to march and lobby Parliament in protest against Government public expenditure cuts.

He warned that if there was no flexibility—for example, if teachers were not prepared to move to other areas to be redeployed following changes in pupil numbers—cuts could be worse.

Spending cuts, said Mr. King, did not necessarily mean cuts in service. What was important was providing value for money.

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Spending cuts, said Mr. King, did not necessarily mean cuts in service. What was important was providing value for money.

### BL helps salmon sales leap

BY LISA WOOD

BUSINESS HAS been booming for UK salmon processors — partly thanks to BL.

For the car company distributed thousands of sides of salmon as part of its latest promotion of the Rover saloon.

A selected number of possible customers, from the higher social groups, who test drove the car during a three-month promotion, received a free side.

More than 15,000 people took up the offer and BL said yesterday that sales of Rovers improved by 50 per cent during and immediately after the promotion, which ended last month.

Goodfare Products of Manchester, were one of the main suppliers of the fish — which BL said had a retail value of £20.

Goodfare is a family-owned business which grew from a delicatessen shop started by the great grandfather of Mr. Michael Hyman, the present chairman.

Not only does the company process and distribute salmon, it also trades in olives, gherkins, cherries and food dressings.

More than 500 tonnes of salmon are handled a year by Goodfare, which has doubled its business during the last six years. This has been because of the combination of increased demand for the fish and aggressive marketing. There are other companies in the country which smoke salmon but Goodfare is probably the only one to concentrate on the product.

Mr. Hyman said: "I have spent my working life travelling to places such as Alaska, Ireland and Norway finding supplies of salmon but that from Scotland is still the finest to be found."

One of his greatest problems is ensuring the right volume of fish of the optimum quality for smoking mainly millions of fish are removed from Alaskan waters, but not all are suitable for smoking.

forward a few ideas on how to cut costs.

One authority, he said, which had previously checked all invoices, started a system of selective checking and saved £20,000 a year.

Mr. King said that government was a great waster of energy, and any authority that could not save 10 per cent of its energy consumption had not really begun to cut costs. One authority had spent £676 to install simple thermostat controls in its swimming pools and saved £7,000 in the first year.

The Minister said that "mindless militancy and chants of No Cuts" constituted a superficial and unrealistic approach. While he was speaking, union and Labour Party representatives were gathering in London to march and lobby Parliament in protest against Government public expenditure cuts.

He warned that if there was no flexibility—for example, if teachers were not prepared to move to other areas to be redeployed following changes in pupil numbers—cuts could be worse.

Spending cuts, said Mr. King, did not necessarily mean cuts in service. What was important was providing value for money.

### Jedburgh wins European conservation award

FINANCIAL TIMES REPORTER

THE SCOTTISH Border town of Jedburgh has won a major European award for restoration of its market place and several historic buildings.

The awards are made annually by Europa Nostra, the federation of European conservation societies, with five medals and about 30 diplomas.

Lord Duncan-Sandys, president of Europa Nostra, announcing the awards in London yesterday, emphasised the importance of conservation to the tourist industry.

The other four medals went to a pedestrianisation scheme and underground garage in Schwannach, West Germany; restoration of old buildings in Krems, Austria; repair of 62 old houses in Amsterdam; and renewal of the Carlos III Royal Theatre in the Escorial, Madrid.

### No decision on Orkney mining

THE GOVERNMENT is undecided whether to allow uranium mining in the Orkney Islands.

Approving a structure plan for the island, Mr. George Younger, Scottish Secretary, said yesterday he was leaving the question open, reserving his decision so the matter could be decided "if and when" any application was made for exploration or exploitation of uranium resources.

### Mull distillery production to restart by Christmas

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE LEDAIG distillery on the island of Mull, which has been in receivership for three years, has been bought by a group led by Yorkshire hosieryman Mr. Stewart Jowett and should restart production by Christmas.

The distillery, founded in 1823, was rebuilt in 1969, but stopped distilling when the company which owned it, Ledaig Distillery (Tobermory), collapsed.

It has been bought from the receiver for an undisclosed sum by a new company, Tobermory Distillers, whose major shareholders are Mr. Jowett, Mr. Peter Russell, an Edinburgh whisky broker, and Mr. Jim Morrison, who was associated with the distillery before its troubles.

Mr. Jowett and Mr. Russell will be joint managing directors. Mr. Morrison will supervise production.

Mr. Jowett said the re-establishment of the distillery after 18 months of negotiations would be a great benefit to the local community and could provide up to 25 direct and indirect jobs.

The plant is being overhauled.

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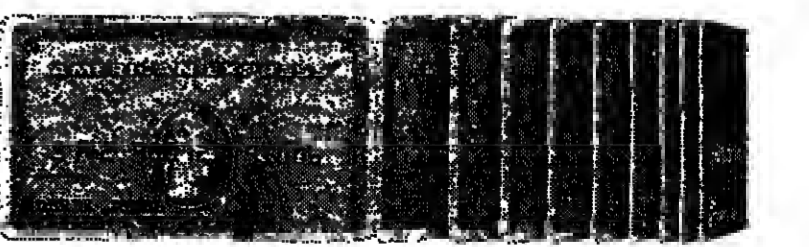
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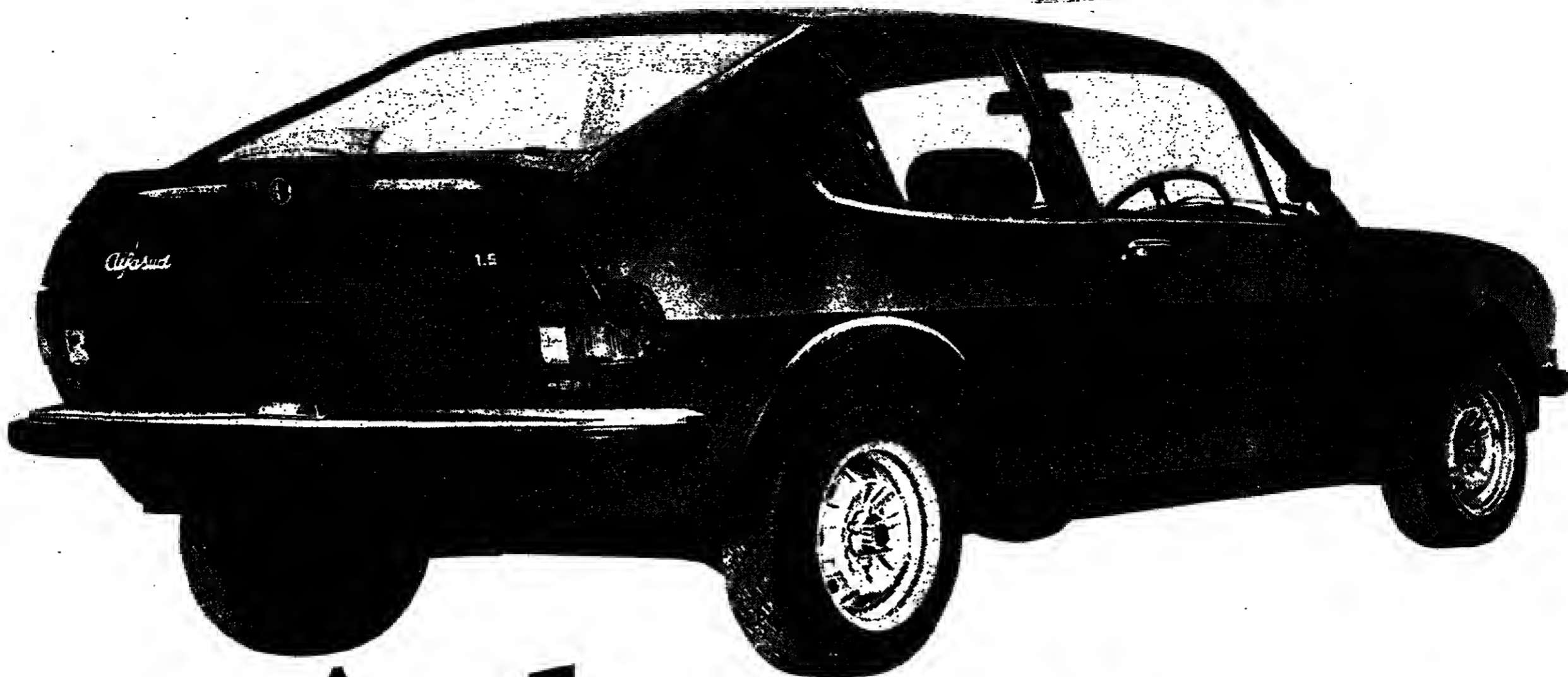
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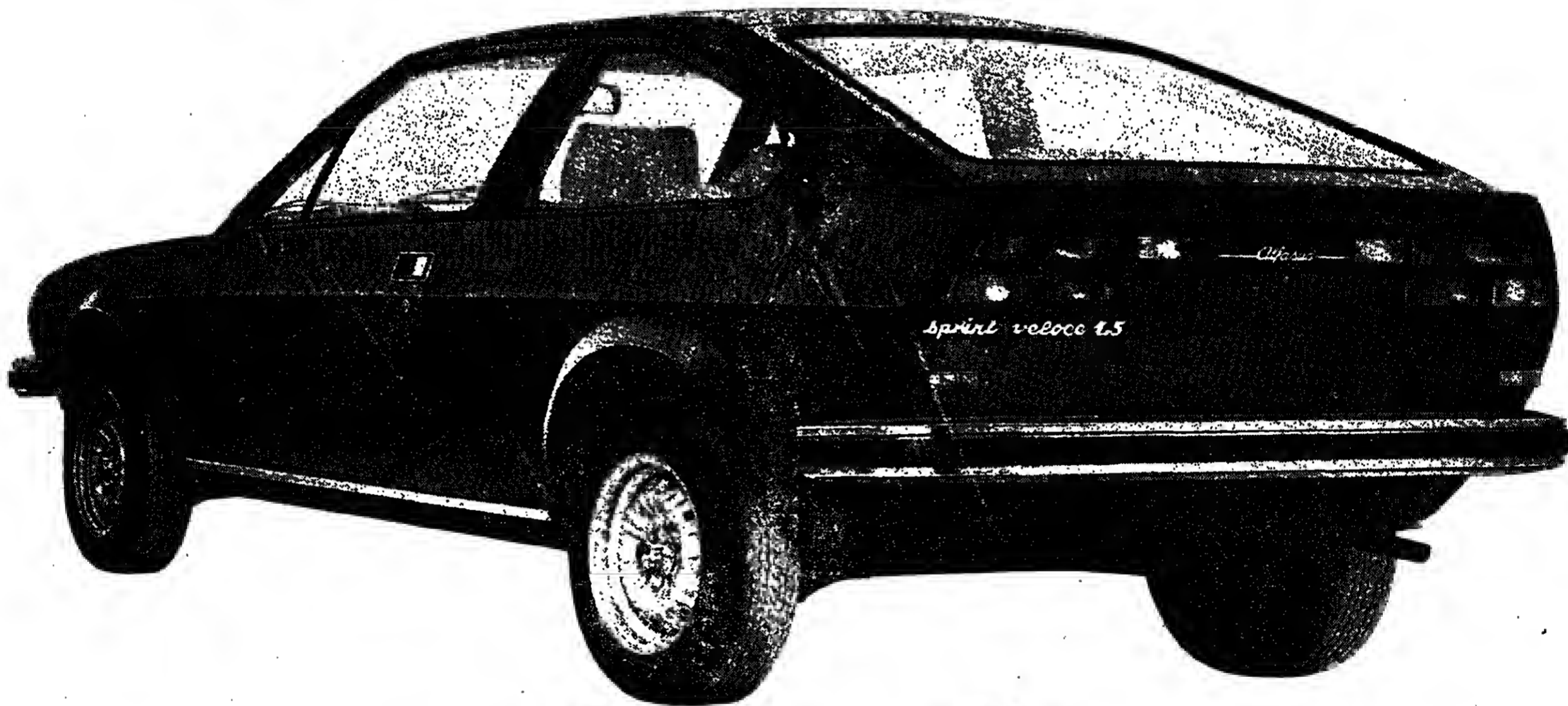
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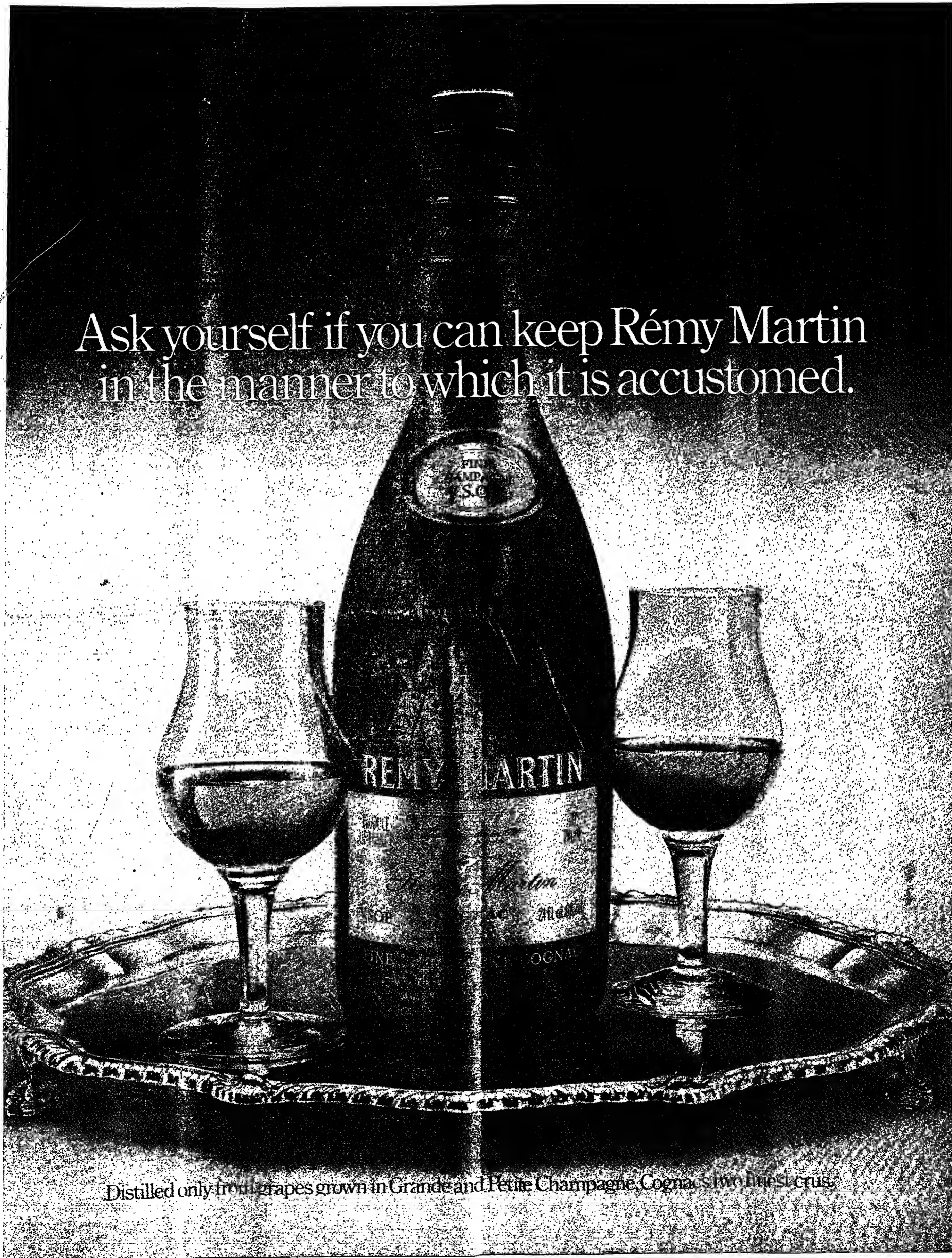
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Government offers patrial concession to placate immigration rebels

THE GOVERNMENT is believed to have devised a new way of clamping down on immigration, writes Elinor Goodman. It hopes the scheme will take the steam out of the Conservative lobby announced by Mr. William Whitelaw, Home Secretary, earlier this month.

They regard as a loophole in the present legislation. What the new proposal does is to add to the original scheme another category of women entitled to bring their husbands and fiancés into the country automatically.

The idea is to allow women with one parent born in this country to bring their fiancés into Britain. They would thus be treated like those who are citizens of the UK, or who were born in Britain or one of its colonies.

The White Paper proposal was regarded by some Tory Right wingers as a dilution of the Conservatives' manifesto pledge. But it was those on the Left who threatened an embarrassing revolt.

would damage the credibility of the Government. About 55 MPs signed the letter. In drafting its new proposals, the Government has therefore had to steer a very careful course between the opposing lobbies.



Mr. William Whitelaw

Watching brief on Iran embassy

A call for all staff to be removed from the British embassy in Tehran was rejected by Nicholas Ridley, Foreign Office Minister.

Mr. Patrick Wall, (C. Haltemprice), asked why personnel from all Western embassies had not been withdrawn, in view of the current crisis at the U.S. Embassy.

Mr. Ridley replied that the presence of other Western embassies would help in the short-term. "The situation is being kept under very close review," he added.

Mr. Peter Shore, shadow Foreign Secretary, pledged the full support of the Opposition for the Government's statement expressing outrage at events in the U.S. embassy.

Mr. Shore said: "We regard it as an outrageous breach of international law."

In reply to Mr. Peter Temple-Morris (C. Leominster), who deplored the "primitive blackmail" of the Iranians holding hostages at the embassy, Mr. Ridley assured MPs that the U.S. were in no doubt about British support.

Mr. Ian Lloyd (C. Havant and Waterloo) called for Western Europe to adopt a "concerned, effective and resolute" position on the situation in Tehran.

Sir Ian Gilmour, Lord Privy Seal, said the EEC was co-operating over Tehran, but Mr. Shore wondered whether its collective responses on matters such as Tehran and Cambodia were "sufficiently timely and sufficiently strong."

Sir Ian replied that the Government had no control over the publicity which statements from the EEC were given in Britain.

There were about 12,000 Iranian students in Britain during the 1977/78 academic year, Sir George Young, Social Services Under-Secretary said.

He told Mr. John Lee, (C. Nelson and Colne) that the Labour Force Survey of May 1977 suggested there were some 29,000 Iranian nationals in the UK at that time.

GIBRALTAR BAR: Spain would not be able to join the Common Market while preserving its border restrictions with Gibraltar, Sir Ian Gilmour, Lord Privy Seal said.

HOLIDAY HELP: A Bill aimed at ensuring that people who go on package holidays get value for money is to be introduced into the Commons next month. Its sponsor, Mr. Ken Weetch (Lab., Ipswich), said yesterday: "At present you have to pay the full price of the holiday in advance to the tour operator. But if you are dissatisfied with the holiday afterwards you have no redress except through certain voluntary arrangements."

FOOD AID: The United Kingdom has so far spent 750,000 on food aid for Kampuchea, out of the £1 allocated, Foreign Office Minister Mr. Nicholas Ridley said yesterday.

CASH INCREASES: The cash limit on universities' spending in the current financial year has been increased by 3.7 per cent to £872.7m to allow for revised forecasts in the cost of pay settlements. Mr. Mark Carlisle, Education Secretary, said universities should now be able to proceed with pay negotiations for academic staff, technicians and manual workers.

CRITICISM: British law governing compensation for death or injury caused by defective products was "open to serious criticism," Lord Allen of Abbeydale said in a debate on the recommendations of the Royal Commission on Civil Liability and Compensation for Personal Injury.

RECIDIVISM: More than half of the 34,778 people serving prison sentences in England and Wales in June had five or more previous convictions, Home Office Minister Brittan said yesterday. Offences which led to the prison sentences ranged from 1,090 sentenced for murder, to 10 people serving time for begging and sleeping out.

Howe links pay to higher tax

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

A WARNING that uncontrolled public sector wage claims could lead to higher taxation was given in the Commons last night by the Chancellor, Sir Geoffrey Howe, opening a debate on the Government's economic policy.

He added that the decision on whether this could be done by VAT or income-tax was a matter which would have to await any announcement in the Budget.

The Chancellor indicated that he wanted to reform the system of capital taxation, help small businesses and take measures to extend profit sharing schemes.

Turning to the economic outlook, he said that most forecasts agreed that there was a prospect of some decline in output for the year ahead. Thereafter, the forecasts became increasingly divergent.

expenditure cuts next year might have to be even greater, however unpopular that proved to be.

His words echo a similar speech given on Tuesday by Mr. Nigel Lawson, Financial Secretary to the Treasury, who was speaking to the Unit Trust Association.

He emphasised that the Government was determined to control money supply and that there were no realistic alternatives to the present policies.

He pointed out that the London Business School forecast expected that 1981 would be a better year and that the country could look forward to a steady improvement over the following years with growth in output and a fall in inflation.

There are, however, solid reasons for hoping that the medium term outlook will be brighter.

He pointed out that the Government has always made clear that our policies will take time to have their full effect.

Mr. Jack Straw (Lab Blackburn) intervened to ask the Chancellor whether he agreed that taxation may well have to go up in the Budget next April and—if this was so—whether it would be by way of VAT or income tax.

He attached particular importance to the meeting he would be attending with the TUC and CBI at the NEDC next Wednesday.

He wanted to encourage more employees to share in the success of their companies and to get a far wider spread of profit sharing schemes.

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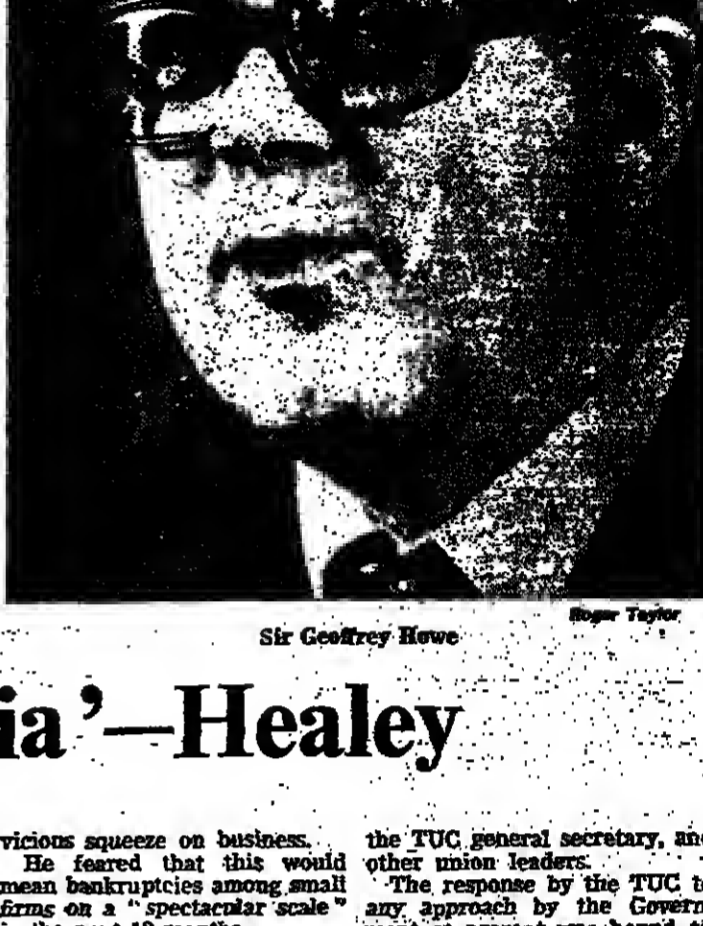
At the end of the first half of the 1978-79 financial year, when the profiles suggested that 47 per cent would have been spent, expenditure on cash limited services amounted to 46 per cent of the limits.

He suggested that junior ministers should become "financial secretaries" to reduce expenditure in their departments.

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Sir Geoffrey Howe

'End monetarist monomania'—Healey

BY IVOR OWEN

FACED WITH the prospect of falling output, the Government should abandon its monetarist monomania and allow public sector borrowing to expand beyond the figure implied in the Treasury's latest economic forecast.

Mr. Denis Healey, the former Labour Chancellor, put forward this argument in the Commons last night.

He again predicted that, sooner or later, Mrs. Thatcher will be forced to follow the example of Mr. Edward Heath and accept the need for a "U" turn, which permits a wider mix of policies, including an attempt to reach an understanding with the TUC on incomes.

He feared that this would mean bankruptcies among small firms on a "spectacular scale" in the next 12 months.

He was sceptical about forecasts that there would be an improvement in the economy after some two years of agony.

Mr. Healey claimed that many Tory MPs, including some members of the Cabinet, already recognised the need for change because they realised that the Government's over-reliance on monetarism was doomed to failure.

So far, he said, the Government's only response to being faced with the total collapse of its policies—as a result of workers thrown out of their jobs, and millions of miserable families struggling to keep pace with rising mortgage interest rates.

From the unions' point of view, excessive wage rises seldom led to the loss of jobs by the workers immediately concerned.

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Spending rises above estimates

By Peter Riddell, Economics Correspondent

GOVERNMENT SPENDING in the first half of the current financial year was above expected levels.

Cut fat not muscle

THE CHANCELLOR'S statement on the economy provoked mixed reactions in the Commons last night.

He described the cuts as "praiseworthy," but added: "The scope is vast and more can be achieved without damage to the social fabric."

Speeches in a nutshell

'There is no sensible alternative to the policies we are following'—Sir Geoffrey Howe

'Are we going to lose another 12 months of unnecessary agony before the Government has the courage to admit its mistake'—Mr. Denis Healey

Labour denies abortion filibuster

MPs examining proposed abortion law reform today set themselves a punishing timetable to reach agreement on the changes by late January.

The Parliamentary committee investigating the Bill, which seeks to reduce the upper legal time limit for abortion from 28 weeks to 20 weeks, will now convene mornings and afternoons on three consecutive days each week.

Heath cautious on cuts

By Elinor Goodman

MR. EDWARD HEATH yesterday made his first public pronouncement on the Government's expenditure cuts.

'Wait and see' on elections

THE GOVERNMENT neatly sidestepped a challenge to commit itself on the controversial proportional representation system of elections.

No alternative

But there was one consolation for the Government, he added: "It is fortified on the course on which it is embarked by the fact that there is no alternative to it."

He pointed out that the Government has always made clear that our policies will take time to have their full effect.

These figures underline the tight squeeze faced by the Government if it is to meet its borrowing target for the current financial year, though spending in the second half of the year will be affected by the Budget measures.

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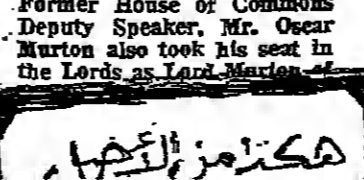
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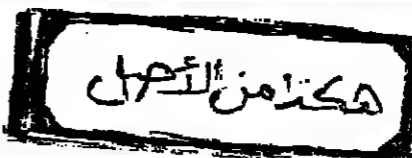
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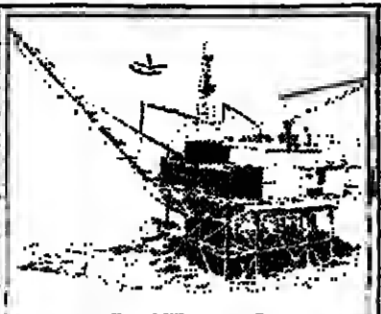
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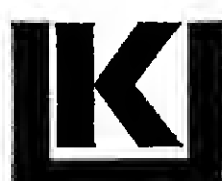
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Required energetic young man aged 25-30, with some commercial or shipping experience for three-year contract, good terms and conditions, as assistant operations manager of steel stockholding business in Lagos, Nigeria. Good advancement prospects for the right person. Interviews London early January.

Apply in writing to:  
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## Jonathan Wren · Banking Appointments

The personnel consultancy dealing exclusively with the banking profession

**SENIOR FX DEALER** **£14,000**

An international American bank wish to recruit a highly experienced dealer (23-35) with active dealing experience which should have included spot trading in both dollar and sterling. In addition to a highly competitive salary, the bank offers a range of attractive fringe benefits.  
*Please contact BRIAN GOOCH*

**JUNIOR EUROBOND DEALER** **£6,000+**

An interesting opportunity exists within the Eurobond Department of an international bank for a person aged 21-23 with at least one year's previous dealing experience.  
*Please contact NORMA GIVEN*

**ACCOUNT OFFICER-ENERGY** **£12,500**

A major American international bank seeks a high calibre corporate calling officer with 3/5 year's experience in an energy related environment. Candidates should have a degree or professional qualification, and will ideally be aged between 25-32.  
*Please contact ROY WEBB*

First floor-entrance New Street  
170 Bishopsgate London EC2M 4LX 01-623 1266

## INTERNATIONAL AUDIT


Age 22-24 **£ negotiable**

A major North American Bank is in the process of expanding significantly its International Audit Division. This will necessitate the appointment of two ambitious young Bankers who seek a long-term but progressive career in one of the world's leading Banks. A substantial amount of world-wide travel will be an integral part of the job, and preference will be given to Candidate of single status.

Applicants will have a minimum of two years' general banking experience and have attained or made considerable progress towards the Banking Diploma.

These positions would be particularly attractive to graduate/management trainees from within one of the Clearing Banks. Salaries are fully negotiable, and fringe benefits include mortgage facility, profit sharing, BUPA, n/a pension scheme, and expenses while abroad.

Please telephone, in confidence, Mark Stevens.

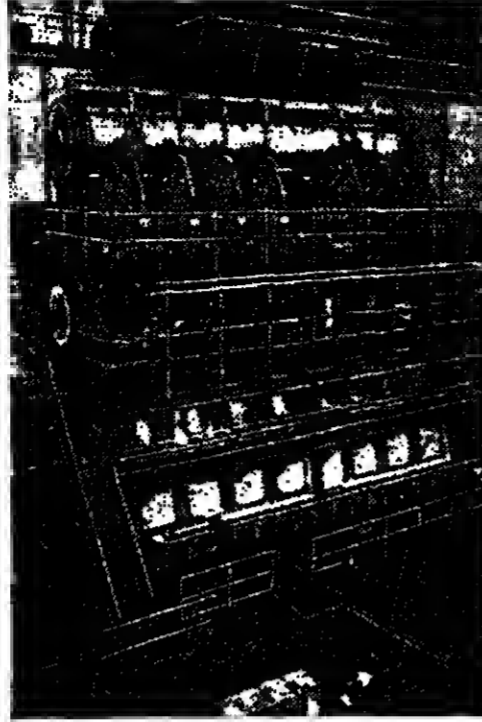


**BANKING PERSONNEL**  
41/42 London Wall-London EC2 Telephone: 01-588 0781  
(RECRUITMENT CONSULTANTS)

# Managing Director for B&W Diesel AS in Copenhagen

B&W Diesel A/S is a Danish-based company which will commence its full operations on January 1, 1980, when the diesel activities of the Burmeister & Wain Group will be combined in one company. These activities include the development and production and sale of diesel engines and the related service organization. The Company's budgeted turnover in its first year of operation is approx. Dkr. 1,000 million (£91 million), and its estimated equity will be Dkr. 300 million (£27.5 million). The Company will employ a staff of approximately 3,000. B&W Diesel A/S will be owned to an equal extent by the Danish Burmeister & Wain Group and the West German M.A.N. Group, while a small shareholding will be taken up by a Norwegian shipowner and industrialist.

**Independent Production and Development**  
Under the agreement entered into between Burmeister & Wain and M.A.N. the B&W diesel engines are to keep their separate identity, since B&W and M.A.N. are each to continue as independent producers of



engines. Both parties consider this essential if their combined market share is to be maintained and expanded.

## The Managing Director

B&W Diesel A/S wishes to appoint a Managing Director who has gained managerial experience in a senior post in an international industrial organization. The Managing Director will have a sound technical background, and training in marketing and management theory. However, the prime requirement will be for a strong personality combined with an ability to motivate people and to co-ordinate the management of the Company's business. Importance will also be attached to a record of sustained success achieved through determined management. The Managing Director will report to the Board of B&W Diesel A/S in Copenhagen, and applicants should send full career and salary details to the Chairman of the Board, Mr. Aage Robert Uth, Burmeister & Wain, Torvegade 2, 1449 Copenhagen K, Denmark.

## Activities to be comprised in B&W Diesel AS

**B&W Alpha Diesel**  
B&W Alpha Diesel designs, produces, and sells complete marine propulsion systems, mainly for small and medium-sized cargo vessels, supply vessels, tugs, large fishing boats, and ferries. Production takes place in one of Europe's most efficient plants for marine propulsion systems, and the activities of the company also comprise a global service and marketing network and a special foundry for the manufacturing of quality castings. B&W Alpha Diesel employs a staff of more than 800.

**B&W Engineering**  
B&W Engineering is responsible for the development and design of B&W diesel engines produced by other B&W divisions and a large number of licensees all over the world. In addition B&W Engineering occupies a leading position in development and sale of know-how and a wide range of advanced combined systems. The staff number 350.

**B&W Høleby Diesel**  
B&W Høleby Diesel produces and sells four-stroke diesel engines. The engines are used as auxiliary engines aboard large ships and as stationary installations for electrical power generation. In addition, they may be used as propulsion units for small and medium-sized ships. The company further produces spare parts and components for other B&W licensees. The company has a staff of about 600.

**B&W Marine Service**  
B&W Marine Service, situated at Christianshavn in the heart of Copenhagen, offers repair assistance to ships with B&W engines anywhere in the world at a few hours' notice. This is rendered possible through a global network of service centres, authorized repair shops and agents. This division produces two-stroke slow-speed diesel engines primarily intended as marine propulsion units. B&W Marine Service also has at its disposal its own production plant for spare parts and components, and a 75,000 sq. ft. computer-controlled stock with more than 17,000 different spare parts. This division employs a staff of 1050.

## Company Chief Accountant Freight Forwarding & Travel Industry c. £9,500+car - Essex

The first flush of youth sees many accountants reaching for the stars. Within a year of two of qualifying, many nearly get there. But the next decade tends towards disillusion, as, despite exploring every stone and leaving no avenue unturned, progress stops. This post could offer something at either end of the process. A young accountant will find real challenge: those seeking progress in mid career will find genuine openings. The company, based in Essex on the outskirts of London, has twenty-five other locations at all major ports and airports in the U.K. It is a leading international freight forwarding and port agency, which also has printing, travel agency and warehousing interests. It has a long history, and a good future as part of one of the biggest shipping-based groups in the country. It needs a Chief Accountant who is an all-round professional, can get the best out of people, and innovate without alienating. Please write, with full career details, to Malcolm Peel.

Applications, which may be from male or female candidates, will be treated in complete confidence and should quote reference 9150/BMDP.

**BROOK STREET EXECUTIVE RESOURCES LIMITED**

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The Executive Selection Company of the (BROOK STREET) Employment Service Group

## Financial Management in Berkshire

Our client, a major international financial and management services company, has experienced rapid growth in the UK during the past few years and revenue is projected to reach £5 million in 1980. As a result, they now need to augment their management team by making two senior appointments, both reporting to the General Manager.

### Treasury Manager from £12,000 plus car

Significant funding requirements and the very sophistication of the business necessitate the appointment of a qualified Accountant or Banker, ACA/ACCA or AIB, 30+ and ideally a graduate to maintain a close liaison with the lending bankers and to assume responsibility for ensuring that all the terms and conditions of the loan agreement are met. This will entail the establishment and implementation of any necessary policies and overall supervision of credit procedures, determining the required level of support staff. Candidates should be familiar with syndicated loan packages involving major international banks and with all legal and technical aspects of such deals. Ref: 645

### Financial Controller c. £10,000 plus car

A personable, qualified Accountant or Banker, ACA/ACCA or AIB, 27/40, is required to take overall responsibility for accounting and reporting for the company. This will entail the introduction and implementation of Group financial accounting procedures and routines utilizing a recently installed mini-computer and responsibility for a staff of 13 including a Financial Accountant and two Assistant Accountants. Previous experience of both people management and data processing is therefore important as is expertise in accounting for another financially oriented service organisation. Ref: 650

Candidates, male or female, should write briefly or telephone for an application form, quoting the appropriate reference.



## Management Personnel

Recruitment Selection & Advertising Consultants

York House Chertsey Street Guildford Surrey **GUILDFORD (0483) 64857**

## FISCAL ACCOUNTING MANAGER

Central London To £10,000

Our client is a subsidiary of a large U.S. corporation which over recent years has established an exceptional growth record.

The successful candidate will be responsible for all matters pertaining to the production of fiscal accounts for specific geographical regions and the provision of advice to senior management on the impact of company operational developments and changes in local legislation in these regions.

Candidates will be qualified accountants, aged 26-30, who are self-motivated and have the presence to communicate effectively with all levels of a multi-disciplined management team.

There are excellent career development prospects both in the U.K. and various attractive overseas locations.

For further information and a personal history form please contact Nigel V. Smith, A.C.A., or Robin F. Tynlon, B.A., C.A., at 410 Strand, London, WC2R 0NS. Tel: 01-836 3501, quoting reference number: 2855.

## DOUGLAS LLAMBIAS

Douglas Llambias Associates Ltd.  
Accountancy and Management Recruitment Consultants  
and at 121 St. Vincent St., Glasgow G2 5HW (041-226 3101)  
3 Coates Place, Edinburgh EH3 7AA (031-225 7744)



## ASSISTANT TO INVESTMENT DIRECTOR

The Investment Director of one of the U.K.'s leading private shipping and insurance groups seeks a person in his/her mid 20's to assist him with the day-to-day management of the group's investment portfolios.

The position offers a unique opportunity to work in an independent operation within the group.

The successful candidate should possess the potential to develop an investment flair, and, ideally, might be a newly-qualified Accountant or graduate.

The prospects would include promotion to a more senior post in due course, either within the investment division or another section of the group.

The position carries the usual company benefits. Salary would be around £7,000.

Write Box F/598, c/o Harvey House, Clark's Place, Bishopsgate, London, EC2N 4BJ.

## ACCOUNTANT

For American Bank. The position requires someone who possesses an accounting qualification with a background in financial reporting, a knowledge of fiscal and tax relevant to Bank of England and U.S. regulations. The Accountant would also be required to apply professional advice within the bank. The successful candidate will be responsible to the Financial Controller and aged 26 to 28 years.

Salary: Circa £10,000 plus excellent fringe benefits

## FX BACK-UP

European bank seeks high calibre FX back-up clerk with a minimum of 2 years' relevant experience. Applicants should possess the qualities to progress to the dealing room.

Age: 20/25 Salary: £5,000 negotiable

## EUROBOND SETTLEMENTS

Experienced, minimum 2 years Eurobond Settlements Clerk sought by American Bank in the City.

Age: 20/25 Salary: £5,500

## BSB Banking Appointments

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Recruitment Consultants  
These positions are open to both male and female applicants.

## American Express International Banking Corporation London

are seeking an

## ACCOUNT OFFICER

for their U.K. business development team. Aged between 25 and 35 the candidates should have a good credit background and several years experience in a British bank or an American bank branch. Excellent salary and benefits.

Please apply in confidence to:

H. R. V. Wessel, Consultant,

## NOEL ALEXANDER ASSOCIATES LTD

International Advisers to Banks & Financial Institutions  
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## MIDDLE EAST

## Loan Officer

based London  
c. £12,000

Have you got commercial and credit training and corporate banking experience?  
Are you a graduate or equivalent, bright, able and a self-starter, prepared to travel in the Middle East?  
Have you got any European languages?  
Are you aged about 25-30 and capable of rapid promotion, based on achievement?

If so - and you would like a career with a major US bank, please write or telephone Anthony Falcon, quoting ref. 252A.

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## Top Executives If you are finding your talents wasted - we can help.

In the serious business of marketing yourself MINSTER EXECUTIVE provides the professional, individual and comprehensive career counselling service that has achieved outstanding results.

After evaluating your full potential we direct you through every stage of the job search, furnishing you with material individually tailored to your specific needs, and counsel in the art of being interviewed.

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LOMBARD

A volunteer for nuclear waste

BY DAVID FISHLOCK

I WOULD like to volunteer my own village as a repository for nuclear waste... In Buckinghamshire, built on a hilltop as a private venture by Quakers after the first world war...

Certainly Americans who have thought deeply about the problem of persuading the public to accept nuclear electricity... This exorcism makes Jordans a highly desirable haven of peace and quiet in a congested world.

Horror

Perhaps at this point I should say that I have no authority for volunteering my village for such a venture...

Benign

It has been seriously suggested that in democratic society the public perception of risk is more important than the actual or quantifiable risk... As Professor John Fremlin, the expert on radio-activity who guided the local authority...

A serious problem for Mrs. Thatcher and her government, soon to announce a renaissance of the British nuclear electricity programme... Can it be that people believe there are two different kinds of radio-activity, benign and malevolent...

6.20 Nationwide  
6.55 Tomorrow's World  
7.28 Top of the Pops  
7.55 Blankety Blank  
8.30 The Dawson Watch  
9.00 Party Political Broadcast by the Labour Party

9.00 am News, Colleges, 12.45 pm For Schools, Pebble Hill At One, 1.45 The Flumps, 2.15 For Schools, Colleges, 3.53 Regional News for England (except London), 3.55 Play School, 4.20 Deputy Dawg, 4.25 Jackanory, 4.40 Screen Test, 5.05 John Craven's Newsround, 5.10 Blue Peter, 5.35 Ivor the Engine, 5.40 News, 5.55 Nationwide (London and South East only)

F.T. CROSSWORD PUZZLE No. 4138

Crossword puzzle grid with numbers and letters placed in some cells. The grid is 10 columns wide and 15 rows high.

- ACROSS 1 Cruel person is sorrowful one way (6)  
4 Projector given to bird getting round sigmoid boss (8)  
9 Concerning a visit to remember (6)  
10 Clergymen providing Public Relations to all, with hesitation (8)  
12 Reduction in rank from French movement (8)  
13 Narrow vestment Pole purchased (6)  
15 Short letter for backward school (4)  
16 He struggles on way to stream (7)  
20 Chauvinist making Irishman demonstrate (7)  
21 Romancer returning to scuff (4)  
23 Oriental Rover feast (6)  
26 Being agile he accepts direction in attic (8)  
28 Even dice shaken up could provide testimony (8)  
29 Worker involved in Common Agricultural Policy has forty winks (6)  
30 Can race in cooled metal (3-3)  
31 Plant in thoroughfare in Somerset town (6)

Humpty Dumpty and Kafka at law

AUTHORS' protection societies have been out of luck in the European Court recently. No one will deny that these societies, collecting royalties on behalf of composers and performing artists, have an inborn tendency towards monopolistic behaviour... That may be hard on some of the authors and disliked by some of the users of the music—that is those who sell it, either by performing it or incorporating it in films or broadcasts.

And—as the court had already ruled in Commercial Solvents—changes to the structure of competition mean the same as what the treaty calls "affecting trade between the member states". As Humpty Dumpty said: "When I use a word, it means just what I choose it to mean—neither more nor less."

Wayward Lad to show his worth

ONLY SIX trainers have decided to give a tilt at this afternoon's £3,000 Garwood Pattern Hurdle at Haydock. Nevertheless, the race has an interesting look about it for Tony Dickenson's recent Leicester winner, Wayward Lad, will be trying to show us there was no fluke about his easy victory on the Midlands course over Renucci.

Renucci, his market rival there, proved there was nothing wrong with the form when beating Jimmy Hill by a similar margin at Windsor on Monday. Furthermore, despite having taken such a wide course in the interests of a trouble-free run, Wayward Lad succeeded in racing in a considerably faster time than that achieved by Hay Ride in the 23-runner event for the first division of the same race.

WAYWARD LAD TO SHOW HIS WORTH

second division of the Stoughton Novices Hurdle there, Wayward Lad showed no signs of tiredness approaching the final flight following such a long navigation: springing clear to win by six lengths.

BBC 1, BBC 2, LONDON, GRAMPIAN, CANADIAN, and RADIO 1-4 schedules with various programmes like 'The Muppet Show', 'Top of the Pops', and 'The News'.

BUSINESS AND THE COURTS

By A. H. HERMANN, Legal Correspondent

Treaty and the case was referred by the Court of Cassation to Luxembourg, which, to the chagrin of SACEM, ruled that the EEC law applied in the way decided by the beginning.

It is the SACEM judgment puts one in mind of Lewis Carroll, the second seems to be one of those things foreshadowed in the writings of Franz Kafka. GEMA, the German counterpart of SACEM, is at loggerheads with Radio Luxemburg.

from Luxembourg at peak listening times. GEMA complains that these agreements operate to the disadvantage of other publishers by excluding a part of the royalties from the general distribution made by GEMA under a pre-arranged distribution schedule.

As long ago as 1971 GEMA asked the European Commission to investigate whether Radio Luxembourg was breaking the competition rules of the EEC. After having investigated and considered this matter for three years, the Commission, in January 1974, addressed to Radio Luxembourg and two other companies a formal Statement of Objections. It alleged an infringement of Article 86 of the EEC Treaty.

Nothing then happened for four years until, in January 1978, GEMA wrote to the Commission asking for a decision within two months. Otherwise it would sue the Commission in the European Court for failure to act. Shortly before the two months were over, the Commission informed GEMA that it had come to the conclusion that it was impossible to prove that Radio Luxembourg and its associates have a dominant position in a substantial part of the Common Market and are abusing it.

ENTERTAINMENT GUIDE

Opera & Ballet, Theatres, Cinemas, and Art Galleries section listing various shows, performances, and exhibitions across London and other regions.

GLUBS

GLUBS advertisement listing various classified advertisements and rates, including 'ADVERTISING RATES' and 'CLASSIFIED'.











Renwick moves up £0.3m in first six months

INCLUDING AN increased contribution of £132,000, against £2,000, from Western Fuel Co. Group moved ahead from £967,000 to £1.26m for the half-year to September 28, 1979.

Turnover of the motor and fuel distribution and travel agency group rose by 55.25m to £28.34m. This result excludes Western Fuel, which was formed from a partnership between Renwick and Bristol Fuel Co.

the share price up 5p to 63p yesterday. The company has done well despite a loss in its freight division which can be traced to the engineering strike.

S & U first half profit up

PROFITS BEFORE tax up from £204,147 to £317,255 for the six months ended July 31, 1979, are announced by S and U Stores, now primarily engaged in consumer credit.

Halftime expansion at Geers Gross

WITH PRE-TAX profits up from £132,811 to £221,582, on turnover of £15.18m, against £12.55m, for the first six months of 1979, the directors of Geers Gross, the advertising concern, say the full year's results are expected to show a healthy increase over 1978.

Reversal at Shaw and Marvin

A PRE-TAX loss of £45,312 for the first six months to September 30, 1979, is reported by Shaw and Marvin, the Nottingham merceriser, dyer and knitwear manufacturer.

Strike hits Grampian Television

HALF-YEAR profits of Grampian Television plunged from £226,112 to £31,101 in the wake of the independent television strike, despite an improvement in turnover to £3.19m against £2.05m.

Options class withdrawal

The Stock Exchange Council is withdrawing the BOC international class of traded options and replacing it with another class because of a lack of open positions.

Mr. Brown rises to over £4m

ON TURNOVER nearly £3m higher at £22.9m, taxable profits of Matthew Brown and Co brewer, rose from £2.54m to a record £4.13m for the year ended September 29, 1979, with £1.53m against £1.33m coming in the first half.

M. Brown rises to over £4m

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ICI BOND CONVERSIONS Holders of a further 250 Imperial Chemical Industries £1,000 bonds due 1987 have exercised their right of conversion into ordinary stock.

comment News of a 30 per cent pre-tax profits rise at Renwick pushed

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Wh Wolsley-Hughes Limited. Wolsley-Hughes, the largest distributor of central heating equipment in the U.K., manufactures Webb and Wizard lawnmowers, Merry Tiller cultivators, Kidd grass-land equipment, McConnell Power Arms, Parmer harrows, Nu-Way burners, Hughes wheels and Boxmag industrial magnets, and now includes K.S. Pipeline Supplies, and manufacturers of pumps, plastic products and footwear.

Table with 2 columns: Year, Value. Rows include Turnover up 18.4% (1979: £156.1m, 1978: £131.8m), Profit before tax up 36.3% (1979: £12.4m, 1978: £9.1m), Dividend per share up 33.3% (1979: 10.4245p, 1978: 7.4833p).

- \*Improved performance by nearly all subsidiaries.
\*The acquisition of John James Group, none of whose figures is included in these results, is a significant step in the development of the group.
\*Adequate facilities are available to continue growth.

A copy of the Report and Accounts can be obtained from The Secretary, P.O. Box 13, Vines Lane, Driffield WRS 8ND.

NatWest in Spain. National Westminster Bank Limited, Sucursal en España, Juan Bravo, 3-C, Madrid-6. Telephone: 250.99.08. Telex: 46934 NWBME. Chief Manager for Spain: Mr T J Murphy. In London: Telephone: 01-606 6060 Ext. 3127 or 3352. National Westminster Bank Group "A Worldwide Bank".

Z-Symposium "Economic and Financial Aspects of East-West Cooperation"

Future patterns in economic cooperation between East and West were the central issues of an international symposium sponsored by Z on the 28th and 29th of September. On the eve of the World Bank and International Monetary Fund Conference in Belgrade, finance experts from 39 countries met in Vienna to confer on such problems as the organization of joint ventures in Eastern Europe, the future of barter transactions, and the credit relationships between Western industrialized nations and CMEA countries.

Austria: 5% Economic Growth. In his welcoming address, Leopold Gratz, Mayor of Vienna, emphasized the city's role as a center of international understanding and the hub of East-West economic relations.

Financier of East-West Trade. At a press conference, a member of the Z Board of Directors stressed that since 1970 the CMEA nations have continuously increased their trade volume with OECD countries at a faster rate of growth than their own GNP's.

Credit Not Exhausted. The economic development of fast-growing nations naturally requires the infusion of capital from external sources. There is, therefore, nothing unusual about the build-up of Eastern debt. The confidence of Western bankers in the CMEA countries remains high.

Some Comments and Results. East-West Energy Bank. Lawrence J. Brainard. The fear must be taken seriously that the coming years will be characterized by capital stringency. As a possible means of easing the temporary adjustment burden Brainard recommends promoting foreign direct investment in the form of joint ventures in Eastern Europe.

Credit Relations No One-Way Street. George G. Matjuchin. The credit relations between the Western industrialized countries and the USSR are not a "one-way street", but rather of benefit to both parties. The credit flows are a sign of mutual confidence and a concrete manifestation of the policy of détente.

Change through Tripartite Cooperation. Friedrich Levick. Tripartite industrial cooperation seems to offer the most promising means of intensifying relations at the present time. Austria may claim a pioneering role in this form of cooperation. Her share of tripartite industrial projects is considerably in excess of her share in the export total of Western market economies.

After Helsinki. Paul Lendvai. When one measures the actual extent of East-West cooperation with the yardstick of the decisions made at the Helsinki and Belgrade Conferences on Security and Cooperation in Europe, one sees how modest the progress to date has been. Both sides could benefit not only from trade promotion, but also from a reduction in the restrictions looked upon in the East as discrimination, as well as from the improvement of business contacts by the West.

In the Course of the Conference the following Topics were discussed:

- The Role of Countertrade in West Germany's Trade with the CMEA-Countries. Dipl.-Vw. Franz Lothar Altmann, Institute for East-European Studies, Munich.
The Austrian Economy on an International Basis. Dr. Hannes Androsch, Vice Chancellor and Minister of Finance for the Republic of Austria.
Regional Distribution of the Flow of Credit between East and West. Dr. Günther Baer, Bank for International Settlements, Basle.
Financial Relations between East and West. Dr. Lawrence J. Brainard, Vice President of Bankers Trust Company, New York.
Problems of Pricing in East-West Trade. Prof. Dr. Bela Csikos-Nagy, State Secretary and Chairman of the Hungarian Price Commission, Budapest.
Barter Trade from the U.S. Point of View. Dr. Otto Dax, Vice Chairman of Siemens Corporation, New York.
The Foundation of Joint-Ventures in Yugoslavia. Prof. Dr. Ivo Fabinc, University of Ljubljana, Ljubljana.
Vienna, Center of East-West Trade. Leopold Gratz, Mayor of Vienna and Chairman of the Supervisory Board of Z-Bank/Zentralsparkasse, Vienna.
The Prospects for East-West Cooperation in the Eighties. Botschafter Dr. Peter Jankowitsch, Head of Austria's Delegation for the OECD, Paris.
East-West Trade in the Light of the Decisions of the Helsinki and Belgrade Conferences on Security and Cooperation in Europe. Paul Lendvai, Correspondent for the Financial Times, East-European Correspondent for "Die Presse", Chief Editor and Publisher, Vienna.
Projections of Eastern Debt. Allen Lenz, Director of the Office of East-West Policy and Planning, Bureau of East-West Trade, U.S. Department of Commerce, Washington.
Tripartite Cooperation: Austria's Experiences. Dr. Friedrich Levick, Director of the Vienna Institute for Comparative Economic Studies, Vienna.
The CMEA's Indebtedness from the Soviet Union's Point of View. Dr. Georgi G. Matjuchin, West European Department, Institute of World Economy and International Relations of the Academy of Sciences of the USSR, Moscow.
Marketing Remedies for Structural Problems in East-West Trade. Norman Scott, United Nations Economic Commission for Europe, Geneva.
Practical Experience in regard to East-West Cooperation. Prof. Dr. Eugeniusz Tabaczynski, Foreign Trade Research Institute, Warsaw.
Technology Transfer between East and West. Prof. Dr. Eugene Zaleski, L'Institut des Economies et Techniques de Planification des Pays de l'Est, Paris.

ZENTRALSPARKASSE UND KOMMERZBANK-WIEN. A-1030 Vienna, Vordere Zollamtsstrasse 13, Austria. Please send me the following publication(s): [ ] East-West Trade and CMEA-Indebtedness in the Seventies and Eighties [ ] Economic and Financial Aspects of East-West Cooperation (Lectures from the Symposium of the same name), Publication Date: Dec. 1979. Name: Company: Address:

UK COMPANY NEWS

Companies and Markets

B. Elliott up £0.9m midway

FOLLOWING A £3.85m rise to a record £9.45m for the previous year, taxable profits of B. Elliott and Co., machine tool maker and general engineer, increased from £3.74m to £4.8m for the half year ended September 30, 1979.

The company's factories are getting back into their stride, they state, and the merchandising side of the business continues to expand its activities.

And the improvement in the activity and profitability of the overseas company is continuing, they add.

comment

When the final count is taken, the engineering dispute will probably have cost B. Elliott between £750,000 and £1m before tax in the current year. Around three-quarters of this anticipated shortfall occurred in the first half and fell squarely on the UK machine tool manufacture and general engineering divisions.

The disruption was enough to push general engineering into an interim loss but was not sufficient to wipe out an overall advance, which turned out at 23 per cent. Merchandising and overseas interests, where the South African contractor jumped from £411,000 to £905,000, were the mainstay of this upturn.

When reporting a half-yearly pre-tax surplus down by £1.96m to £0.43m, the directors said the second-half figure was expected to compare favourably with the same period of 1978—in the event, profits of £2.12m (£2.03m) were achieved.

Steady second half leaves Avon Rubber at £2.55m

IN LINE with the directors' mid-way forecast, profitability at Avon Rubber Company was maintained in the second six months ended September 30, 1979 to leave pre-tax profits for the full year at £2.55m, compared with £4.1m previously. Turnover increased from £119.87m to £130.56m.

When reporting a half-yearly pre-tax surplus down by £1.96m to £0.43m, the directors said the second-half figure was expected to compare favourably with the same period of 1978—in the event, profits of £2.12m (£2.03m) were achieved.

The directors explain that sales and profits during the year were hit by the continued decline of the UK vehicle industry, the road haulage strike, high interest rates, the strength of sterling and the engineering dispute.

In the early months of the year, the former associate Avon Lippiatt Hobbs became a wholly-owned subsidiary following the acquisition of its outstanding shares. This company's profits over the year fully met directors' expectations.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are increases or falls and the subdivisions shown below are based mainly on last year's results.

TODAY

Companies: Crosby Spring Interiors, Dallas's Stores, English and Overseas Investments, Hargreaves, Arthur Holden, Property and Reversionary Investment, 800 Group, Tommel Holdings, Whitbread Investment

FUTURE DATES

Table with columns for Company Name, Date, and Meeting Type. Includes entries for Dallas's Stores, English and Overseas Investments, Hargreaves, Arthur Holden, Property and Reversionary Investment, 800 Group, Tommel Holdings, Whitbread Investment, Crosby Spring Interiors, Dallas's Stores, English and Overseas Investments, Hargreaves, Arthur Holden, Property and Reversionary Investment, 800 Group, Tommel Holdings, Whitbread Investment.

precision of £2.89m (£2.46m), slipped from £7.5m to £7.57m. Reflecting the consolidation of turnover of £26m. The share price, at 185p, fully reflects the uncertainty, trading on a multiple of 3.9 times stated earnings. The yield is a useful 11.2 per cent.

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Brickhouse Dudley in line despite engineers' strike

DESPITE the engineering dispute, Brickhouse Dudley, manufacturer and distributor of drainage products for the building and civil engineering industries, has met its first-half profit forecast.

However, the second half has started well with the outstanding order book up to £44m, and there has been no indication of a downturn in order intake, at home or overseas.

Sales for the period rose from £12.2m to £13.5m, of which £2.45m (£2.68m) were exports. Net profit came through at £504,000 (£561,000) after a notional tax charge at 52 per cent.

The net interim dividend is increased by 9.3 per cent to 0.95p (0.869p)—last year's final was 1.8965p.

Increase at General Stockholders

After tax of £176,308 against £132,847, net profits of the General Stockholders Investment Trust increased from £258,038 to £327,310 for the year ended October 31, 1979. Total income rose some £100,000 to £561,493.

Earnings advanced from 2.9p to 3.89p per 12p share, while a final dividend of 1.9p net, plus a special payment of 0.8p, lifts the total for the year to 3.7p

Advertisement for Crédit Populaire d'Algérie, featuring US \$ 30,000,000 MEDIUM TERM LOAN, AI Saudi Banque, and Arabic calligraphy.

Table titled 'PARKLAND TEXTILE HOLDINGS LTD' showing 'UNAUDITED RESULTS FOR THE HALF YEAR ENDED 31st AUGUST, 1979' with columns for 'Half year ended 31st Aug 1979', 'Half year ended 1st Sept 1978', and 'Year ended 31st March 1979'. Rows include Turnover, Profit before tax, Profit after tax, Dividend per share (p), Albion Mills, Greengates, Bradford BD10 9TQ.

Advertisement for AIR ALGERIA featuring the airline logo and text: 'IF ALGERIA IS YOUR MARKET, THEN IS YOUR AIRLINE... NON-STOP TO ALGIERS AND ON TO ORAN-ANNADA-CONSTANTINE. DEPARTING FROM HEATHROW ON FRIDAY SUNDAY SUNDAY 1600 RESERVATIONS: 07 5767/0765'.

Large advertisement for Grupo Industrial Alfa, S.A. featuring the Alfa Romeo logo, '\$75,000,000 Medium Term Financing', and a list of financial institutions including BankAmerica International Group, Deutsche Bank AG, Grindlay Brant's Limited, Banco Di Roma, The Bank of Tokyo Trust Company, Banque de Paris et des Pays-Bas, Crédit Lyonnais, Crédit Suisse, Lloyds Bank International Limited, Société Générale, Société Générale de Banque S.A., The Sumitomo Bank Limited, Banco Di Roma, Bank of America NT&SA, The Bank of Tokyo Trust Company, Banque de Paris et des Pays-Bas, Crédit Lyonnais, Crédit Suisse, Deutsche Bank AG, Grindlays Bank Limited, Lloyds Bank International Limited, Société Générale, Société Générale de Banque S.A., The Sumitomo Bank Limited, The Sanwa Bank Limited. Agent: BANK OF AMERICA NT&SA.



OVERSEAS BACKLASH AGAINST ANTI-TRUST LAWS

# Pushing back the boundary of U.S. jurisdiction

BY PAUL CHEESERIGHT, MICHAEL DONNE, IAN HARGREAVES AND A. H. HERMANN

FOR NEARLY 40 years, the U.S. has been involved in a quiet but frequently bitter dispute with its trading partners about how far its laws extend. Exasperated by the failure of diplomacy to resolve the differences, the UK Government is pushing through Parliament the Protection of Trading Interests Bill.

### Changing perceptions of the law

When the courts of the U.S. stretch out their arms to seek worldwide jurisdiction over the commercial activities of anybody and any company which might affect the U.S., they emphasise the decisive shift that has taken place in legal practices and aspirations over the past 100 years.

In 19th century China, companies from the U.S., the UK and France used to insist on being judged by the laws of their own country. But now, even the most powerful multinationals accept without a murmur that their foreign activities are subject to the laws of the host country.

This is an acknowledgement of sovereignty. However, a new trend is developing—it is the idea that sovereignty does not stop at a nation's borders. The leader in this new trend is the U.S., as it insists more and more that foreign companies must observe U.S. laws, not only when they are doing business inside the U.S. but also when their outside business has an economic effect on the U.S.

### The beginnings of anti-trust

This insistence is most obvious through the application of the monopoly of anti-trust—or competition—laws and the U.S. court decisions which have flowed from them. U.S. anti-trust enforcement is concerned both with the maintenance of competition and the structure of markets and industries.

There are three basic statutes: ● The Sherman Act, adopted in 1890, prohibits unreasonable restraints of trade; ● The Clayton Act, passed in 1914, bans mergers and acquisitions which may lessen competition; ● The Federal Trade Commission Act, also adopted on the eve of World War I, is directed against unfair and deceptive trade practices. During the Depression of the 1930s, there was more legislation, notably: ● The Robinson-Patman Act of 1936 was aimed against price discrimination and designed to protect the small shopkeeper.

### Court rulings

The difficulty for foreign countries has come from the attempt to apply these laws outside the U.S. The attempt is based on court precedents, which have given rise to the "effects doctrine." Broadly this states that the behaviour and actions of foreign companies, whenever and wherever they take place are a matter for U.S. law, if they produce economic effects to the U.S.

There have been two significant Supreme Court rulings: In 1945, in U.S. v. Aluminum Company of America, the Court said: "It is settled law... that any state may impose liabilities, even upon persons not within its allegiance, for conduct outside its borders that has consequences within its borders which the state reprehends; and these liabilities other states will ordinarily recognise."

In 1962, in Continental Ore v. Union Carbide, the Court said: "A conspiracy to monopolise the domestic or foreign commerce of the U.S. is not outside the reach of the Sherman Act just because some of the conduct complained of occurs in foreign countries."

But there is a qualification to the legal doctrine embodied in these judgments. A 1934 Supreme Court ruling, in Parker v. Brown, held that where a foreign government requires a company, even a U.S. one, to do something which would be offensive to the U.S. anti-trust laws, then that ends

the U.S. anti-trust inquiry. Yet there is a big limitation. If it can be shown that the company asked the foreign government to adopt anti-competitive restrictions, or played a part in their administration, then the defence of foreign sovereign intervention is no longer effective.

### Enforcement

After World War II, the enforcement of anti-trust legislation was directed primarily against rising concentration in industry. As fines had little effect on large groups, prison sentences were imposed on the managers of General Electric and Westinghouse in 1960. Later proceedings were started with the aim of dismembering IBM.

Since the Carter Administration came to power there has been a plethora of new legislative proposals seeking to strengthen anti-trust enforcement. Government regulatory agencies have been aggressive.

The Federal Trade Commission started a shift of policy away from prosecuting anti-competitive behaviour to efforts designed to curb economic power, when that power is seen as a threat to consumer interests, the environment and individual freedom. Although there are indications that the wings of the FTC have been clipped, other agencies have sought to use the principles of anti-trust as a vehicle to regulate trade and industry even outside the U.S.

### Instrument of policy

The Commission on American Shipbuilding, for example, uses anti-trust laws as an instrument indirectly to enforce policy. The Federal Securities and Exchange Commission insists it may call to order one European company taking over another when some of its shares are owned by American investors. The Federal Maritime Commission has sought to control freight rates on transatlantic runs and curb international shipping conferences. The Civil

Aeronautics Board has turned its hostile gaze towards the International Air Transport Association.

The way in which the ambition of the U.S. authorities to regulate trade clashes with practices perfectly legal outside the U.S., and the way in which U.S. companies can shelter behind this ambition, has emerged clearly in three areas.

● Aviation, because of the desire of the U.S. Civil Aeronautics Board to remove from airlines who are members of IATA their current immunity under the anti-trust laws.

Such a step would immediately make those airlines liable to prosecution and heavy fines simply for being a member of the Geneva-based IATA. Over a year ago, the CAB ordered the IATA to "show cause" why such immunity should not be removed.

Since then, over 40 foreign governments and over 60 foreign airlines have filed evidence with both the CAB and State Department in support of the IATA.

Recently, in Washington the CAB held public hearings of evidence for and against the IATA, which it is hoped will serve to soften its antagonism towards the airlines' body. Already, under pressure from foreign governments, the CAB has modified its stance and is now only seeking to remove the anti-trust immunity from those airlines directly serving the U.S., whereas originally it was threatening such a measure against all airlines in the IATA.

The battle is far from over. The CAB is not prepared to give way just yet, while foreign governments are determined to resist what they believe to be an unjustifiable attack on their own sovereign rights, and those of their airlines, to be members of whatever international body they chose.

● Shipping, where anti-trust considerations have dominated the politics of the transatlantic liner trade for many years. Tensions have been especially high in the past two years as a result of specific legal actions taken by the U.S. maritime and judiciary authorities against seven European and U.S. shipping groups.



Dart Containerline vessels load at Southampton. The rates which this and other lines charge for transatlantic crossings have been the subject of U.S. Department of Justice anti-trust proceedings, and more suits have been launched by U.S. customers. The series of cases has been singled out by the UK Government as one justification for the Protection of Trading Interests Bill.

The authorities allege that these liner companies violated anti-trust law by failing to make full disclosure and to go through all the necessary detailed procedures in arriving at the common tariff structures which are the basis of the liner shipping industry's price-fixing Conference system.

These shipping groups, which include the Southampton-based Atlantic Containerline, Hapag-Lloyd of West Germany and Dart Containerline, agreed to pay fines totalling \$6.1m in June, without admitting guilt, in order to avoid a long legal process.

Since then the Federal Maritime Commission has announced a full-scale inquiry into the Atlantic conferences' activities and a rash of civil anti-trust damages suits have been launched by customers of the shipping lines.

European and Japanese shipowners argue that they are being prosecuted for following trading practices which are legal in their own countries and which are accepted internationally, by such bodies as the UN Conference on Trade and Development.

The U.S. Department of Justice takes the view that conferences are monopolistic devices designed to drive up prices. In the U.S., shipping companies have only limited exemption from anti-trust law and shippers, the customers of shipping lines, are not allowed to form groups to bargain collectively with the lines.

● Uranium, following the failure of Westinghouse Electric to honour supply contracts, plead-

ing in 1975, "commercial impracticality." When Westinghouse was sued by 27 power utilities in a series of cases it could have been liable for \$2bn.

The group then turned round and itself brought an action against 29 international uranium producers, including companies in the Rio Tinto-Zinc group. Its suit claims treble damages of \$6bn—the \$2bn for which it could have been liable, multiplied to give a punitive element.

The producers are said to be in breach of the anti-trust laws in that, by operating a cartel to fix prices between 1972 and 1975, they denied Westinghouse access to supplies.

The UK, Australian, Canadian and South African companies involved do not accept the jurisdiction of the U.S. court, which has not yet had substantive hearings on the matter, and has indeed found them in default.

However, the cartel operated outside the U.S. with the knowledge and encouragement of governments. It was established as a response to a U.S. action which barred uranium imports, thus cutting off outside producers from three quarters of the world market at a time when U.S. producers were permitted to export.

All the cartel's pricing arrangements naturally excluded the U.S. and there has been no suggestion outside the U.S. that member countries were in breach of any laws. Inside the U.S., grand jury proceedings, initiated by the Department of Justice, into uranium price fixing, did not result in the pressing of charges.

### The international response

Since 1945 at least 19 governments have protested to the U.S. about its assertion of jurisdiction in international anti-trust cases. The latest and strongest legislative response has come from the UK where the Protection of Trading Interests Bill could become law early next year.

The Bill takes resistance to U.S. legal practices onto new ground. It permits UK companies to recover the punitive damage judgments from the UK assets of the company granted them in the first place. Multiple damages—compensation to an injured party multiplied to become punitive damages—are common in the U.S.

Multiple damage judgments will not in any case be enforceable in the UK. The Bill would also give the Trade Secretary sweeping powers to decide whether UK companies should accede to foreign attempts to regulate international trade and to direct the degree of co-operation with foreign courts and investigations.

Such controls on the provision of evidence and the appearance of foreign witnesses in U.S. proceedings are not uncommon. Thirteen other countries are known to have created barriers to stop information going to U.S. proceedings.

In Europe, defensive measures have been taken by Denmark, France, West Germany, Italy,

Netherlands, Norway, Sweden and Switzerland. In the Commonwealth measures have been taken by Australia, Canada and India. South Africa and Japan also block the provisions of information.

Broadly there are two different approaches to the question. The Netherlands, South Africa and Switzerland have blanket legislation which provides that nobody may give any information without permission. Elsewhere information may not be provided if the authorities decide against it.

Canada, France, Italy and the Netherlands are currently considering the possibility of strengthening their protective legislation.

### The followers

Despite the widespread international resentment about U.S. practices, the effects doctrine has found followers in Europe.

● The EEC Commission contends that the competition rules of the EEC apply to any behaviour which has an impact on the EEC, even if the actions take place outside. The Commission sought to apply the doctrine in ICI before the UK became a member of the EEC.

● In West Germany, the Supreme Court recently signalled that the doctrine could be applied in Germany when it ruled that the acquisition of a U.S. company by the U.S. subsidiary of Bayer, a German group, had to be notified to the Federal Cartel Office.



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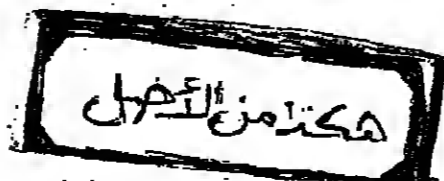
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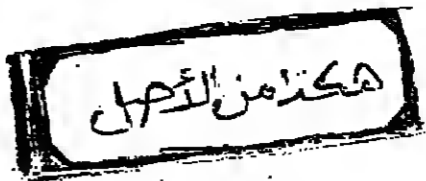
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BIDS AND DEALS



Britannia Arrow may step in for Dawnay

BY CHRISTINE MOIR
Britannia Arrow, the unit trust group formerly known as Slater Walker, has put a spoke in the smooth wheels of the agreed bid by Rothschild Investment Trust for Dawnay Day, the merchant banking, life assurance and unit trust group.

Meanwhile RIT, which is bidding for Dawnay through Home Holdings, has Dawnay's board behind its bid. It already owns 5.6 per cent, and has persuaded the Prudential group, with 19 per cent, to say that its "present intention" is to accept RIT's offer.

Dixon extends offer date

The claim by Montfort Knitting Mills that it has the support of its shareholders in contesting the bid from David Dixon, seems borne out by the news that Dixon's offer has reached its first closing date with only minimal acceptance.

MITCHELL COTTS BUYS INTERCAM

Mitchell Cotts-Lennon, part of the Mitchell Cotts Group, the international trading, engineering and transport group, has concluded a deal to acquire Intercom Science and Educational Projects of Cambridge.

CARDIFF MALTING

Pauls and Sanders has disposed of 143,500 shares in the Cardiff Malting Co., reducing its holding to 1,000 shares. General

TKM buys Magna Holdings

Tozer Kewley and Millhorne (Holdings), the international trade and investment group, has acquired Magna Holdings, a Canadian company, for the Canadian dollar equivalent of £3.45m and the issue of 1.81m Tizer shares.

Hodge group completes shake-up

HODGE GROUP, the banking and personal finance group formally headed by Sir Julian Hodge, has reached the final stages of rationalising its activities. In a series of deals announced yesterday, the insurance underwriting companies, Hodge General and Mercantile Insurance Company and Hodge Life Assurance Company are to be transferred to the direct ownership of the Standard Chartered Bank.

John Swire expansion

John Swire and Sons, the overseas trading group, has acquired a 40 per cent shareholding in Trans Canada Freezers, a Toronto-based refrigerated warehouse chain, in a deal worth US\$13.8m (£8.4m).

HAMBROS IN MINORITY DEAL

Hambros Bank and Canadian Imperial Bank of Commerce, announce that, as contemplated in the shareholders' agreement, Commerce is taking over the 49 per cent minority interest previously held by Hambros in CIBC Limited.

Wallis Fashion asks for suspension on approach

Wallis Fashion Stores, which operates a chain of about 80 high-fashion dress shops, asked for its shares to be suspended yesterday because it has been approached by "a substantial UK public company" about a possible takeover.

NEW BOARD AT PHOENIX MINING

Following the closing of the offer by Mr. A. M. Milne and his associates for the capital of Phoenix Mining and Finance, the former board has resigned and has been replaced by Messrs. I. C. Elliott, chairman, W. F. O'Hara, managing director, J. A. Wilkinson, A. M. Milne, R. Brooks and H. F. Cooper.

NO PROBE

The proposed acquisition by Ocean Cory of Thames and General Lightage is not to be referred to the Monopolies Commission.

LAUNDRY BID

Mr. Michael Ashcroft, chairman of Provincial Laundries, has told shareholders of St. George's Laundry (Worcester) that his board does not agree with the St. George's board's reasons for rejecting his group's partial offer.

SANDEMAN

A subsidiary of Hill Samuel, an associate of Seagram Company, has purchased 700,000

SHARE STAKES

Laporte Industries—Following the company's recent rights issue Solvay and Cie SA and its nominees, Schroder nominees have accepted provisional allotment of 2,285,797 ordinary shares.

Market smiles on Hanson block

BY ANDREW FISHER

The news that Hanson Trust's £167m (£75m) bid for Barber Oil of the U.S. had fallen victim to the country's stiff and complex shipping laws was met with smiles rather than frowns in the market yesterday.

Hanson started buying Barber shares at around \$20 each and picked up the whole of its holdings for under \$30. "We never thought we had a chance of taking it over. We just believe it was very very undervalued."

Hanson was prepared to pay \$61.50 a share for Barber, a price which the U.S. concern found acceptable. What finally decided Barber to put the shutters down on the deal by refusing to grant Hanson more time to work out its formal offer was the delay caused by the working of the U.S. maritime law. This lays down that foreign companies may not own more than a quarter of any concern operating ships under the U.S. flag.

Barber considered that it was taking too long to work out a solution and that it was losing out on potential business as a result. Any further extension for Hanson, which made its bid approach in mid-September, would have meant putting further oil and gas exploration projects on ice while the UK company continued to evaluate Barber and its accounts.

Sir Gordon reckoned that Barber's shipping activities could have been sold for up to \$35m compared with a book value of around \$10m. Five U.S. companies were ready to do a deal, but Barber was not prepared to let Hanson hand out the relevant figures to its competitors.

Uddismayed by its failure with Barber, Hanson is still on the lookout for other energy opportunities in the U.S. "We are thoroughly examining and re-examining things we looked at three years ago," said Sir Gordon. "It is likely to be a problem—without careful prospecting, there are no bargains in the U.S. market at the moment."

Barber Oil, too, is keen to continue with the expansion of its energy interests, although the market for coal—accounting for over 30 per cent of its assets last year—remain depressed. One of its key ventures is the participation in the large "Cognac" oil and gas field off the coast of Louisiana.

In the first nine months of this year, Barber's net income rose up from \$4.8m to \$5.7m, although a good deal of the improvement reflects the sale of its interest in the Jay Field in Florida and of ships. Progress in the whole of 1978 was more leisurely, with a rise from \$7.2m to \$8m.

Barber's president and chief executive, Mr. John Lee, said Barber was not currently considering any other approaches from potential bidders. In fact, the company is itself looking at some small acquisitions on which it was forced to hold off while Hanson continued its evaluation.

Advertisement for Scandinavian Bank Limited featuring the text "The Scandinavian symbol for international banking" and a large stylized logo.

Advertisement for Scandinavian Bank Limited listing international offices in Bahrain, New York, Bermuda, and Singapore, along with contact information.

Advertisement for First Chicago Investment Banking Group with the headline "There is no better time to invest in the U.S. than now." and a group photograph of company executives.

Advertisement for United Overseas Bank Limited, featuring the text "U.S. \$25,000,000 Floating Rate Note Issue due 1981" and "For the six months 29th November, 1979 to 29th May, 1980".

Table titled "BASE LENDING RATES" listing various banks and their interest rates for different terms.

Table titled "EUROPEAN OPTIONS EXCHANGE" showing market data for various options contracts, including series, volume, and price.

Advertisement for Coral Index and Insurance Base Rates, providing information on commodity futures trading and insurance property tables.

INTERNATIONAL COMPANIES and FINANCE

NORTH AMERICAN NEWS

Upturn at Canadian banks

BY OUR FINANCIAL STAFF

SIGNIFICANTLY higher earnings are reported for 1979 by the leading Canadian banks...

increased from C\$3.39bn to C\$5bn, and total assets at C\$51.7bn were 26 per cent up...

Bank of Montreal announced an increase in balance of revenues from C\$60.1m to C\$64.1m (US\$ 54.1m) in the final quarter...

Toronto-Dominion Bank, with assets last year of C\$16.7m reported an increase in net earnings from C\$85.2m (U.S.\$72.82m) to C\$106.4m...

Pitney Bowes sees net gain of 19%

PITNEY BOWES, the business equipment group, expects its 1979 profit growth to be roughly comparable to the 19 per cent rise in per-share earnings to \$3.33 reported for last year...

FTC curbs boost Formica

BY DAVID LASCELLES IN NEW YORK

U.S. COMPANIES reacted optimistically yesterday to passage in the House of Representatives of a Bill to restrict the powers of the Federal Trade Commission (FTC)...

The FTC filed a petition with the Trademark Trial and Appeals Board in May last year. The thrust of its case was that Formica had become a generic or descriptive name for all decorative plastic laminates...

review the question of the FTC's authority until the whole case had been heard in the lower courts. Formica did not confine its offensive to the courts. It bombarded influential figures with material about the case...

At the European institutional investor conference he said that the company's five-year strategy to 1983, allowing for new products and the recent acquisition of Dictaphone calls for compound annual sales growth exceeding 15 per cent from the 1978 base of \$711m...

The vote was specially good news for Cyanamid, the chemical company whose Formica brand name was last year challenged by the FTC. Although this is the only such case so far launched by the FTC, it was seen as a disturbing precedent by companies whose products have become household names.

Formica launched a vigorous counterattack, claiming among other things that the FTC did not have the authority over trade mark like Formica which were registered before current legislation was enacted in the 1946 Lanham Act. However, the Supreme Court declined to

review the question of the FTC's authority until the whole case had been heard in the lower courts. Formica did not confine its offensive to the courts. It bombarded influential figures with material about the case, and even petitioned President Carter. Judging by the strength of the House vote on Tuesday, it won considerable sympathy for its position.

Energy group stays on target

BY OUR FINANCIAL STAFF

"SIGNIFICANTLY better" earnings remains the forecast for 1979 from Northern Natural Gas, the Nebraska-based energy company which is widely involved in natural gas distribution in the U.S. Predictions by Wall Street analysts of share earnings of \$6.75 for the year, against \$6.15, are within the board's expectations, said Mr. W. A. Strauss, the chairman.

coming from nominal business in coal and general exploration. This level of capital expenditure is likely to continue for the next few years. Long-term debt will be at 36 per cent of total funds at the year-end, and this level, which compares with around 35 per cent to 40 per cent for the industry as a whole, is likely to be maintained.

Overall profitability has benefited this year from a general decline in customer stockpiles, from a favourable balance in supply and demand inside the U.S., where about 95 per cent of the group profits

originates, and from higher price levels. A major source of expansion is seen in the petrochemicals division towards motor industry products. This is expected to be in the form of plastic components to the car manufacturers, an area which has considerable growth prospects, says the company.

New products include a remote postage meter resetting system, which can be reset by telephone rather than by taking the machine to a Post Office, and also a range of electronic mailing scales.

Capital expenditure of \$375m is already planned for this year by the group, whose earnings are split 66 per cent from natural gas operations, 24 per cent liquid fuels and 6 per cent petrochemicals, with the rest

benefited this year from a general decline in customer stockpiles, from a favourable balance in supply and demand inside the U.S., where about 95 per cent of the group profits

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BASTOGI-I.R.B.S. SpA U.S. \$40,000,000 Term Credit Facility. Managed by Banco di Roma (London Branch), Midland Bank France S.A., Marine Midland Bank, Banca Popolare di Milano, Cassa di Risparmio di Torino, Kredietbank International Group, Blyth Eastman Dillon & Co. International Limited, Arranged by Banco di Roma (London Branch), in association with Banca Popolare di Milano, Cassa di Risparmio di Torino, Marine Midland Bank, Midland Bank France S.A., Kredietbank N.V., Cassa di Risparmio di Genova e Imperia, Abahli Bank of Kuwait (K.S.C.), Banque Commerciale pour l'Europe du Nord (Eurobank), United International Bank Limited. Agent: Midland Bank France S.A.

Record first quarter income at Litton

By Ian Hargreaves in New York

LITTON INDUSTRIES, the California engineering and electronics conglomerate, has produced record first quarter net income of \$50.8m on sales of \$95.5m. This represents a 72 per cent earnings increase on the same period last year...

Earnings growth quickens at Carter Hawley Hale

BY OUR FINANCIAL STAFF

HIGHER third-quarter and nine-month profits are announced by Carter Hawley Hale Stores, a leading Western U.S. department store operator. Third-quarter earnings rose 18.8 per cent from last year's comparative \$10.24m or 39 cents a share to \$12.17m or 45 cents a share. Sales were 17 per cent higher at \$383.4m.

for the retail industry because of the uncertain economic environment. The company was hopeful that the momentum in the fiscal third quarter's income would continue into the Christmas selling season.

The company has prepared its operating strategies for a slowdown in consumer spending and is developing financial and inventory plans slightly below its expected rate of sales increase.

EUROBONDS

Varied interest issue for ECSC

BY FRANCIS GRILES

A \$100m graduated interest rate bond has been arranged for the European Coal and Steel Community (ECSC) by Societe Generale. This seven-year issue offers investors a coupon of 12 per cent for the first year. The interest rate then drops by 1 per cent every year until it reaches 10 per cent during the last year of the bond's life.

dollar bonds ended the day on a mixed note. Demand for some of the new issues remains good however. This is particularly true of the shorter maturity issues amounting to \$150m of the latest Yankee bond offering for Sweden, which was priced at 99.9 on Tuesday but was trading at 100.1-100.2 yesterday.

Prices of Swiss franc bonds are still declining though the volume of trading remains thin. Credit Suisse has launched a SwissFr 100m ten-year public offering for Electricite de France which includes an indicated coupon of 5 1/2 per cent and a price of 99 1/4.

\$22m write-off for St. Joe Minerals

NEW YORK—St. Joe Minerals said that its St. Joe Zinc subsidiary decided to close permanently its zinc smelter in Monaca, Pennsylvania, and will take a fourth quarter write-down of about \$22m or 95 cents a share.

The mineral extraction and processing group said, however, that the net impact of the write-off "may have been ameliorated by various year-end adjustments."

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month.

Table with columns: U.S. DOLLAR STRAIGHTS, Issued, Bid, Offer, Day, Week, Yield, Change on day week, Yield.

Table with columns: Ex. Dev., Cdn., 10 84 CS, 50, 91, 92, +0.14, 12.46, etc.

Table with columns: Floating Rate, Spread, Bid, Offer, Cdn., Capn, Cyltd, etc.

Raw material costs hit Maryland Cup

OWINGS MILLS — Maryland Cup, largest producer of disposable food and drink containers in the U.S., said in reporting improved fourth quarter sales and net income that pre-tax profit for the quarter fell to \$13.5m from \$13.8m and for the year declined to \$34.2m from \$35.9m in fiscal 1978.

The lower results were attributed to a large increase in raw materials costs and a lag in recovering the added costs through price increases. Results were also affected by higher interest rates and the cost of carrying high inventories of finished goods. Inventories have been reduced by \$4.5m since the year-end.

However, Maryland said business has been "brisk" in the early part of fiscal 1980 and early indications are that the momentum which began to build in the fourth quarter is continuing into the new year.

Arco plant closure to cost net \$50m

LOS ANGELES — Atlantic Richfield (Arco), the oil and copper group, states that it will take a writedown on a joint venture plant that will have an unfavourable effect of around \$50m on after-tax earnings in 1978.

Table with columns: DEUTSCHE MARK, Issued, Bid, Offer, Day, Week, Yield, Change on day week, Yield.

Table with columns: YEN STRAIGHTS, Issued, Bid, Offer, Day, Week, Yield, Change on day week, Yield.

AFRICAN DEVELOPMENT BANK

Looking to wider horizons

BY FRANCIS GHILES

THE African Development Bank (ADB) in 15 years, old this month, its 48 members can look back on a great deal of hard work and solid achievement.

members who oppose the increase in capital appear to the poorer African states a little disingenuous: Algeria and Libya are wealthy oil exporters in their own right.

increasingly favourable terms. Only last month it signed a \$150m 12-year loan which carried a margin over the inter-bank rate of 3 per cent for the first four years rising to 4 per cent.

The geographical spread of the loans made by ADB in particular has changed. In the early sixties, the bulk of lending went to East and North African countries: between them the two areas accounted for 85 per cent of receipts, essentially it seems because they were better equipped to present ready worked-out projects worth financing.

The African Development Bank has made steady progress since it was founded 15 years ago. It is now proposing to open its membership to non-African states and quadruple its authorised capital.

Such, in particular, is the attitude of Algeria and Libya, although this has to be seen in the context of the highly nationalistic foreign policy of both countries.

Fresh capital is precisely what the new members—which would include most OECD countries and others such as Kuwait—would be in a position to offer.

like the other two regional development banks, the Asian Development Bank and the Inter-American Development Bank. It has borrowed \$875m to date on the international capital markets: if the changes in membership and capital are approved, it could step up this borrowing rapidly.

Recently, in London, he underlined some of the bank's achievements over the past year or two and expressed confidence that the widening of the bank's membership would be ratified.

German insurer moves ahead

BY GUY HAWTIN IN FRANKFURT

ONE OF West Germany's leading insurance concerns, Bayerische Rückversicherung, yesterday reported a DM 28m (\$16.1m) loss on its reinsurance business for 1978. Net profits on its total operations, however, went up by just under 24 per cent.

However, he believes that 1979 will bring an improvement in reinsurance business. Premium income is expected to show a real growth of 5 per cent. In 1978, premium income rose by a gross 9.7 per cent to over DM 913m (\$524.7m) with growth led by overseas business.

1978, although it says that claims have increased in comparison with 1978. During the first three-quarters of the year, premium income has risen by 10.3 per cent in comparison with the same period of 1978 to DM 554m.

Zurich bank withdraws domestic bond

ZURICH—The Cantonal Bank of Zurich has withdrawn a Swiss franc (\$36m) 4.25 per cent 10-year bond due to be floated between December 3 and December 7, as a sharp rise in short-term interest rates caused a stir in the Swiss capital market.

The decision by leading Swiss banks to raise time deposits yesterday to the highest levels for four years would have necessitated an increase in the coupon to at least 4.5 per cent, the Cantonal Bank said.

Routière Colas seeks U.S. acquisition

BY TERRY DODSWORTH IN PARIS

THE FRENCH bitumen and roadworks company, La Routière Colas, is aiming to move into the U.S. with a \$15m acquisition of the highway materials and construction division of Allied Chemical.

The move forms part of an aggressive programme of overseas development at Routière Colas, which is expected to attain about 41 per cent of its turnover in overseas markets this year.

being made in Africa, Asia and South America. The group's activity overseas is expected to increase again next year, when it is forecasting a total turnover of about FFr 5bn (\$1.2bn). For 1979, its sales are expected to be about 11 per cent up on last year to reach FFr 4.25bn, while profits should increase from about FFr 67.5m to FFr 70m.

Funding plan for Salzgitter

By Our Financial Staff

THE WEST GERMAN Government has authorised a DM 250m capital increase for its 100 per cent-owned steel, shipbuilding and energy company, Salzgitter. The company's capital currently stands at DM 425m.

Montefibre estimates cash needs at \$316m

ROME—Montefibre, the loss-making fibres subsidiary of the Italian chemical concern Montedison, will need \$316m (\$316m) in new cash between now and the end of 1982 under a restructuring plan for which it is seeking bank and government approval.

The rest of the new cash would come from long-term loans, while the plan also provides for the consolidation of debts, further capital increases and later an issue of convertible bonds. Another precondition of the plan's success is the completion of Montefibre's withdrawal from textile subsidiaries, which it hopes to sell if this proves, or else to close down.

Nordic bank balance sheet total rises

BY LANCE KEYWORTH IN HELSINKI

THE Nordic Investment Bank (NIB) broadened the range of its lending activities and explored new capital markets in its fundraising during the first 10 months of 1979. The interim balance sheet total at August 31 was SDR 25.95m, compared with SDR 17.41m a year earlier. (One SDR equaled \$1.30 on August 31.)

investment projects. In addition, eight loans were granted for investments within the Nordic countries, bringing the total of new loans up to \$91.5m against \$83.3m in the same period of 1978. NIB has now raised 36 loans totalling \$332.7m since its establishment in June 1976.

One was for SKr 75m (\$17.5m) and the other for Fmk 50m (\$13m). Since NIB only grants loans in the currencies which it has at its disposal or in which it can borrow, the bank considers it important to be able to offer loans in local currencies for Nordic investment projects, to eliminate or minimise currency risks for the borrowers.

writes Fay Gjeester in Oslo. The group Elendomsinstituttet, which is in debt for several hundred million kroner, is going into voluntary liquidation. The lawyer representing Mr. Hanisch's creditors, Mr. Finn Rime, said that he did not expect an appeal. Mr. Hanisch had earlier indicated that he intended to appeal.

مكتبة النور

This announcement appears as a matter of record only.

\$125,000,000

European Economic Community 11.60% Bonds Due November 1, 1999

Interest payable May 1 and November 1

- MORGAN STANLEY & CO. THE FIRST BOSTON CORPORATION GOLDMAN, SACHS & CO. LEHMAN BROTHERS KUHN LOEB SALOMON BROTHERS MERRILL LYNCH WHITE WELD CAPITAL MARKETS GROUP ATLANTIC CAPITAL CORPORATION BACHE HALSEY STUART SHIELDS BASLE SECURITIES CORPORATION BEAR, STEARNS & CO. BLYTH EASTMAN DILLON & CO. DILLON, READ & CO. INC. DONALDSON, LUFKIN & JENRETTE DREXEL BURNHAM LAMBERT E. F. HUTTON & COMPANY INC. KIDDER, PEABODY & CO. LAZARD FRERES & CO. PAINE, WEBBER, JACKSON & CURTIS L. F. ROTHSCHILD, UNTERBERG, TOWBIN SHEARSON HAYDEN STONE INC. SMITH BARNEY, HARRIS UPHAM & CO. UBS SECURITIES, INC. WARBURG PARIBAS BECKER WERTHEIM & CO., INC. DEAN WITTER REYNOLDS INC. ARNHOLD AND S. BLEICHROEDER, INC. DAIWA SECURITIES AMERICA INC. EUROPARTNERS SECURITIES CORPORATION ROBERT FLEMING HUDSON SECURITIES, INC. KLEINWORT, BENSON NEW COURT SECURITIES CORPORATION THE NIKKO SECURITIES CO. NOMURA SECURITIES INTERNATIONAL, INC. SCANDINAVIAN SECURITIES CORPORATION YAMAICHI INTERNATIONAL (AMERICA), INC. AMSTERDAM-ROTTERDAM BANK N.V. THE BANK OF TOKYO (HOLLAND) N.V. BANQUE NATIONALE DE PARIS CAISSE DES DEPOTS ET CONSIGNATIONS COUNTY BANK CREDITANSTALT-BANKVEREIN DAI-ICHI KANGYO BANK NEDERLAND N.V. HILL SAMUEL & CO. IBJ INTERNATIONAL KREDIETBANK S. A. LUXEMBOURGEOISE LTCB ASIA MITSUBISHI BANK (EUROPE) S.A. J. HENRY SCHRODER WAGG & CO. SOCIETE GENERALE DE BANQUE S.A. SUMITOMO FINANCE INTERNATIONAL VEREINS-UND WESTBANK WESTDEUTSCHE LANDESBANK GIROZENTRALE November 22, 1979

Allianz Versicherungs-AG

through a subsidiary of Allianz of America Inc.

has acquired from The Mutual Life Insurance Company of New York

98.2% of the outstanding Common Stock of North American Life and Casualty Company

We initiated this transaction and acted as financial advisor to Allianz Versicherungs-AG

Schroders

J. Henry Schroder Corporation One State Street, New York, New York 10004

INVEST IN 50,000 BETTER TOMORROWS!

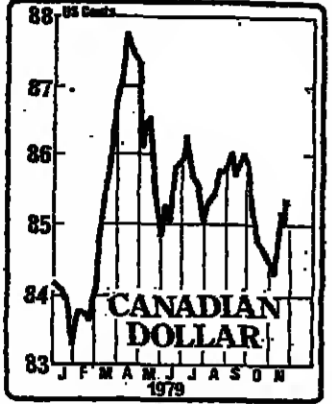
50,000 people in the United Kingdom suffer from progressively paralyzing MULTIPLE SCLEROSIS—the cause and cure of which are still unknown—HELP US BRING THEM RELIEF AND HOPE.

We need your donation to enable us to continue our work for the CARE and WELFARE of MULTIPLE SCLEROSIS sufferers and to continue our commitment to find the cause and cure of MULTIPLE SCLEROSIS through MEDICAL RESEARCH. Please help—send a donation today to: Room F.1, The Multiple Sclerosis Society of G.B. and N.I., 4 Tachbrook Street, London SW1 1SJ.



Dollar weak

THE DOLLAR lost ground against most major currencies in the foreign exchange market yesterday, as continuing uncertainty over the situation in Iran undermined market confidence.



On Tuesday, the Bank of England figures, its trade weighted index was slightly up at 86.6 from 86.5, but this failed to reflect the dollar's late fall.

EMS EUROPEAN CURRENCY UNIT RATES

Table showing EMS European Currency Unit rates for various currencies including Belgian Franc, Danish Krona, German Mark, French Franc, Dutch Guilder, Irish Punt, and Italian Lira.

EXCHANGE CROSS RATES

Table showing exchange cross rates for currencies like Pound Sterling, U.S. Dollar, Deutschmark, Japanese Yen, French Franc, Swiss Franc, Dutch Guilder, Italian Lira, Canadian Dollar, and Belgian Franc.

EURO-CURRENCY INTEREST RATES

Table showing Euro-currency interest rates for various currencies and terms such as 180-day term, 7 days notice, 1 month, 3 months, 6 months, and one year.

INTERNATIONAL MONEY MARKET

Dutch bank rate up

The Netherlands central bank raised its bank rate to 9 1/2 per cent on Tuesday, the first increase since 1978.

This is the second rise in the Dutch bank rate this month, with the Nederlandse Bank previously responding to the increase in the German Bundesbank discount rate on November 1.

In Amsterdam yesterday the money market was very nervous following the announcement that the German authorities are to hold a press conference after today's council meeting.

GOLD

Sharp rise

Gold rose sharply in the London bullion market yesterday to \$409 1/4, a rise of \$14 1/4 on Monday.

Trading was described as hectic at times, with the metal in very good demand throughout the day.

FRANKFURT — Call money was unchanged at 8.40-8.50 per cent but term rates were generally firmer.

PARIS — Day-to-day money was unchanged at 9.70-9.80 per cent, but term rates were generally firmer.

UK MONEY MARKET

Adequate supply

Money market conditions were expected to remain tight in Amsterdam during the coming week, partly reflecting monthly tax payments.

Bank of England Minimum Lending Rate 17 per cent (since November 15, 1979)

LONDON MONEY RATES

Table showing London money rates for various currencies and terms including Sterling, Local Authority deposits, Finance House deposits, and Discount rates.

Local authority and finance houses seven days' notice, other seven days fixed. Long-term local authority mortgage rates nominally three years 15-16 1/2 per cent.

THE POUND SPOT AND FORWARD

Table showing the Pound Spot and Forward rates for various currencies like U.S., Canada, Netherlands, Belgium, Denmark, Portugal, Spain, Italy, France, Sweden, Austria, and Switzerland.

THE DOLLAR SPOT AND FORWARD

Table showing the Dollar Spot and Forward rates for various currencies like U.K., Canada, Netherlands, Denmark, Norway, France, Sweden, Austria, and Switzerland.

CURRENCY RATES

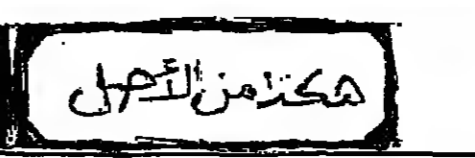
Table showing currency rates for various countries including Argentina, Australia, Brazil, Canada, Denmark, France, Germany, Greece, Hong Kong, India, Iran, Israel, Italy, Japan, Korea, Kuwait, Luxembourg, Malaysia, New Zealand, Norway, Saudi Arabia, Singapore, South Africa, and Switzerland.

CURRENCY MOVEMENTS

Table showing currency movements for various countries including Argentina, Australia, Brazil, Canada, Denmark, France, Germany, Greece, Hong Kong, India, Iran, Israel, Italy, Japan, Korea, Kuwait, Luxembourg, Malaysia, New Zealand, Norway, Saudi Arabia, Singapore, South Africa, and Switzerland.

OTHER MARKETS

Table showing other market rates for various commodities and currencies like Argentine Peso, Australia Dollar, Brazil Cruzeiro, Canadian Dollar, Danish Krona, Deutschmark, Dutch Guilder, French Franc, German Mark, Greek Drachma, Hong Kong Dollar, Indian Rupee, Iranian Rial, Italian Lira, Japanese Yen, Korean Won, Kuwaiti Dinar, Luxembourg Franc, Malaysian Ringgit, New Zealand Dollar, Norwegian Krone, Saudi Arabian Riyal, Singapore Dollar, South African Rand, and Swiss Franc.



A FINANCIAL TIMES SURVEY

MEXICO Friday January 11th 1980

The Financial Times proposes to publish a survey on Mexico. The following is the proposed editorial synopsis:

Introduction: The Lopez Portillo Government as it approaches mid-term. The debate about the use of oil in the context of national development. Political reform. The Economy: The external sector: Energy exports and the balance of payments. The prospects for non-oil exports, invisibles and foreign investment. The internal sector: Urban and rural development. Industrialisation and the importance of oil. Tourism: A major foreign currency earner looks to the domestic tourist market. The development of hotels and infrastructure. The transport demands of growing tourist traffic. The Motor Industry: Developments in passenger and freight vehicles. The increasing Mexicanisation of the industry and prospects for the export trade. Oil and Gas: New discoveries on- and off-shore. Pemex's role in exploration and development. Distribution and export strategies. Agriculture: The need for increased productivity and the demands for more widely distributed prosperity on the land. Personalities: Brief portraits of leading Mexicans in industry, government and the arts. Banking: Private sector and state banks. Catering to a growing population and financing Mexico's capital projects. Guadalajara: Mexico's second city and a growing industrial centre. Foreign Affairs: Mexico's new relationship with the U.S. Mexican influence in Central and South America.

FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER

The content, size and publication dates of Surveys in the Financial Times are subject to change at the discretion of the Editor.

CONTRACTS AND TENDERS

NEW CALEDONIA ENERCAL Invitation for Prequalification CONSTRUCTION OF NEAOUA HYDROELECTRIC POWER PLANT

Division of Lots Tender Dates Turbines and Valves Electric Equipment for the Power Plant and miscellaneous comprising one 30 kV switchyard and the Remote Control of the Generating Sets Poststocks

COMPANY NOTICES

NOTICE TO BONDHOLDERS INTERNATIONAL UTILITIES OVERSEAS CAPITAL CORPORATION 5 1/2 per cent Guaranteed Convertible Bonds 1986

TRANSVAAL CONSOLIDATED LAND AND EXPLORATION COMPANY Incorporated in the Republic of South Africa

LOCAL AUTHORITY BONDS Every Saturday the Financial Times publishes a table giving details of LOCAL AUTHORITY BONDS on offer to the public

Companies and Markets

NEW YORK

Table of stock prices for various companies in New York, including AMF, AM Int'l, AMR, etc.

Table of stock prices for various companies in New York, including Columbia Gas, Columbia Pictures, etc.

Table of stock prices for various companies in New York, including GE, Gen. Elec., etc.

Table of stock prices for various companies in New York, including Mass Petroleum, M&M, etc.

Table of stock prices for various companies in New York, including Schlitz Brew, Schlitz, etc.

Table of stock prices for various companies in New York, including Gold and Silver issues, etc.

Table of stock prices for various companies in New York, including Synthetic Textiles, etc.

Table of stock prices for various companies in New York, including Germany, etc.

Table of stock prices for various companies in New York, including Australia, etc.

Table of stock prices for various companies in New York, including Canada, etc.

Table of stock prices for various companies in New York, including Belgium, etc.

Table of stock prices for various companies in New York, including Holland, etc.

INDICES

Summary table of market indices including Dow Jones, S&P 500, etc.

NEW YORK DOW JONES

Table showing Dow Jones index performance for various sectors.

STANDARD AND POORS

Table showing Standard and Poors index performance for various sectors.

NEW YORK ACTIVE STOCKS

Table showing active stock trading in New York.

MONTREAL

Table showing stock prices in Montreal.

TORONTO

Table showing stock prices in Toronto.

FURTHER PROFIT-TAKING
Dow Jones Industrial Average reversed an early decline...

Closing prices and market reports were not available for this edition.

due that evening, and concern about the still tense Iran situation...

Investors continued to hope that interest rates have peaked, but that caution ahead of President Carter's week conference.

Investors continued to hope that interest rates have peaked, but that caution ahead of President Carter's week conference.

Gold and Silver issues rose.
Doma Mines gained \$1 to \$24.2, Homestake Mining \$1 to \$37.4...

THE AMERICAN SE Market Value Index recorded a gain of 0.32 at 226.65 at 1 pm after volume of 2.85m shares (3.51m).

Markets were mixed with a softer bias after another active morning session. The Toronto Composite Index gained 5.1 to 1,688.2 at noon...

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Stock prices displayed a downward bias as profit-taking in a quiet market eroded a part of some of the advances scored on Tuesday.

Some energy stocks featured strongly in overall mixed markets yesterday.

The Federal Government declared the small 280m barrel Fortescue Field on Esso-GIP's Bass Strait leases 'new all'...

Public Authority Bonds registered fresh gains ranging to 70 premisses, but also isolated losses extending to 26 premisses.

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With volume further increasing, course prices had another buoyant session yesterday. The Swiss Bank Corporation Industrial index closed 2.9 higher at 303.

Dealers see this trend continuing in December, with funds from short-term investments possibly being channelled into the Swiss stock markets.

The Zurich Bond market stopped its slide and here too, dealers were confident for the near future. The yield level has risen, and the interest rate differential with abroad is narrowing...

Gold shares after Tuesday's retreat, picked up a little on Friday. Bullion prices hardened, with Anglos adding 20 cents at R10.80 after results.

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Companies and Markets

COMMODITIES AND AGRICULTURE

Christmas trees to cost more

GOOD QUALITY Christmas trees may be scarce this year and are likely to cost up to 20 per cent more, according to the Timber Growers Organisation.

Gold and silver boosts metals

GOLD AND silver led a general rise in metal prices yesterday. The jump in precious metals, as a result of renewed speculative buying demand, spilled over into base metal markets.

Soviet grain shortfall confirmed

SOVIET PRESIDENT Leonid Brezhnev has officially confirmed that his country's grain crop fell well short of target this year.

EEC FARM POLICY

Mrs. Thatcher's trump card

DURING THE summer of 1982 I interviewed M. Edgar Pisaní, at that time DG Gaulle's Minister of Agriculture, regarding Britain's application to join the EEC.

Mrs. Thatcher's trump card

When I raised the point about the unfairness of Britain, a food deficit country, having to pay for the storage and disposal of other countries' food surpluses, Mr. Edgar's response was that in a dangerous world the unity of Europe was more important than worrying about who pays what.

Rain damages groundnut crop

NEW DELHI — Unseasonal rainfall in Gujarat has damaged the groundnut crop in Saurashtra and Kutch, the Indian Agriculture Department said today.

Surplus milk may be poured away

IT MAY pay some Common Market creameries to pour milk away rather than trigger the proposed 3 per cent caper levy on surplus milk output, according to Mr. Myrdia Evans, president of the Farmers Union of Wales.

Bigger cotton crop forecast in Pakistan

ISLAMABAD — Pakistan is expected to produce about 4m bales of cotton during the 1979/80 season, starting September 1, against an account 2.9m bales last year and a recent U.S. estimate of 2.85m, a Government announcement said.

Grain surplus warning

UK CEREAL farmers could face a difficult time in the 1980s as British grain supplies could well exceed market demand, according to Mr. F. T. Rees, EEC co-ordinator of Rank Hovis.

UK fishing restrictions challenged in court

A FRENCH REVERIE argued before a Cardiff Crown Court yesterday that the British Government no longer has the right to apply national fishing conservation measures which led to the arrest of Breton trawlers.

EEC sugar exports rise

BRUSSELS — The EEC Commission yesterday authorised 65,050 tonnes of white sugar for export compared with 19,750 tonnes last week, commission sources said here.

BRITISH COMMODITY MARKETS

Table with columns for COMMODITY, UNIT, and PRICE. Includes sections for BASE METALS, COPPER, and TIN.

COCA

Table with columns for COCA, UNIT, and PRICE. Includes sections for COCA, COCOA, and COFFEE.

PRICE CHANGES

Table with columns for COMMODITY, UNIT, and PRICE. Includes sections for METALS, RUBBER, and SOYABEAN MEAL.

EUROPEAN MARKETS

Table with columns for COMMODITY, UNIT, and PRICE. Includes sections for WHEAT, RICE, and OILS.

Instant Coffee and other Commodity Prices on the 'electronic newspaper' from Pye.

News as it happens, plus FT Index, foreign exchange prices, travel news, weather forecasts, leisure and much much more. At the touch of a button from a Pye TV set with Teletext.

GRAINS

Table with columns for GRAIN, UNIT, and PRICE. Includes sections for WHEAT, BARLEY, and RICE.

SUGAR

Table with columns for SUGAR, UNIT, and PRICE. Includes sections for SUGAR and WOOL FUTURES.

INDICES

Table with columns for INDEX, VALUE, and PERCENTAGE. Includes sections for FINANCIAL TIMES, DOW JONES, and MOODY'S.

Advertisement for Pye Teletext featuring a television set and a coffee tin. Text includes 'Instant Coffee and other Commodity Prices on the electronic newspaper from Pye.'

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LONDON STOCK EXCHANGE

Business fails to increase on extended equity rally
Gilts mixed after firm start—Golds strong with bullion

Account Dealing Dates
\*First Declara- Last Account
Dealings tions Dealings Day
Nov. 19 Dec. 6 Dec. 7 Dec. 17
Dec. 10 Dec. 20 Dec. 27 Jan. 7
Dec. 23 Jan. 10 Jan. 11 Jan. 21

Gilts scored gains to a full point. The overall firmness was measured by a jump of 13.0 in the FT Gold Mines index to 283.3.

With the November series due to expire shortly, Traded options recorded an exceptional 1,193 trades with RYZ, 212, Imperial 132, and EMI, 155, all attracting a useful demand.

Asisted by favourable Press mention, Vickers encountered small support and improved 6 to 109p. Other leading Engineers were also rising.

The prospect of normal working at BL helped Lucas to a rise of 4 to 216p.

Heavyweights rose by as much as a point with President Brand, 118, Randfontein, 222, Vaal Reef, 521 and Western Holdings, 191, all around that much better.

Hopes for the resumption of normal working at BL pending the outcome of an inquiry into the dismissal of Mr. Derek Robinson encouraged an extension of Tuesday's technical recovery in equity markets.

Banks quietly firm
The major clearing banks passed a quiet firm session. Barclays added 5 to 400p and Lloyds 3 to 378p.

Comet Radiovision up
Comet Radiovision Services highlighted Stores with a rise of 10 to 138p in response to the sharp increase in annual earnings.

Hanson Trust rise
News that the group's 275m bid for Barber Oil of New York has failed because of problems caused by U.S. shipping laws.

Siebens advance
Interest in the Oil sector faded considerably and, after a slightly firmer start, prices tended to drift lower.

Gold Fields of South Africa put on £1 to a 1979 high of 285; parent company Consolidated Gold Fields surged ahead on renewed bid speculation.

Publicity given to views that the current easier trend in U.S. commercial banking rates may be a false dawn discouraged fresh support of Government stocks.

Among regional issues, Bentley's firming a penny to 43p following the increased first-half profits, but higher annual profits failed to inspire Matthew Brown.

Among the Electrical leaders, Thorn made fresh progress and closed 9 dearer at 314p, but GEC ended only a penny up at 337p.

Adverse Press comment on the outlook for casino profits clipped 4 from Ladbroke to 143p and left Coral Leisure a couple of pence cheaper at 52p.

South African Gold shares staged a broad advance in line with the bullion price which rose 51.575 to 540.50 an ounce.

Other London Financials were well supported with Rio Tinto-Zinc and Charter Consolidated both around 6 firmer at 306p and 179p respectively.

Business started with quotations at the higher levels ruling late the previous evening, but investment demand was inhibited by the imminence of the new tax stock.

Reports of a coming price increase helped Distilleries, Arthur Bell advanced 4 to 185p and Highland 6 to 99p.

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FINANCIAL TIMES STOCK INDICES
Table with columns for various indices (Government Secs, Fixed Interest, Industrial, Gold Mines, etc.) and rows for dates from Nov 29 to Nov 21, plus a year ago comparison.

HIGHS AND LOWS
Table with columns for 1979 (High, Low) and Nov 29 (High, Low) for various stock categories like Govt. Secs, Fixed Int., Ind. Ord., and Gold Mines.

prices coupled with a further rise in overnight domestic markets prompted widespread, generally modest, gains in Australian Gold issues. 9 was particularly wanted with Gold Mines of Kal-gorville 9 up at 136p and President 4 better at 79p.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Table with columns for EQUITY GROUPS & SUB-SECTIONS, Index No., Day's Change %, and various stock indices like CAPITAL GOODS, CONSUMER GOODS, FINANCIAL GROUP, etc.

Table with columns for FIXED INTEREST PRICE INDICES, British Govt. An. Gross Red., and various bond yields and prices.

ACTIVE STOCKS

Table listing active stocks with columns for Stock, Denomina- tion, Closing price (p), Change on day, 1979 high, and 1979 low.

OPTIONS

Table with columns for DEALING DATES, First Last, Deal- Declara- tion, For- Set- tings, tion ment.

RECENT ISSUES

Table with columns for EQUITIES, Issue Price, 1979 High, Low, and Stock details.

FIXED INTEREST STOCKS

Table with columns for Stock, 1979 High, Low, and Stock details.

"RIGHTS" OFFERS

Table with columns for Issue Price, 1979 High, Low, and Stock details.

LONDON TRADED OPTIONS

Table with columns for Option, Ex-ercise, Closing, price, offer, Vol., Closing offer, Vol., Equity close, and various stock options.

NEW HIGHS AND LOWS FOR 1979

Table with columns for NEW HIGHS (3), NEW LOWS (32), and various stock prices.

RISES AND FALLS YESTERDAY

Table with columns for Rises and Falls, and various stock price changes.

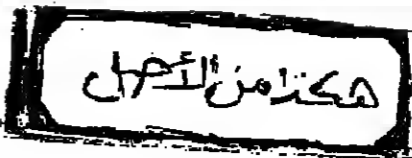
LEADERS AND LAGGARDS

Table with columns for Gold Mines FT, Industrial Group, and various stock performance metrics.

UNIT TRUST SERVICE

Advertisement for Unit Trust Service, Offshore & Overseas, and various financial products with contact information.





FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Table listing various unit trusts such as Abbey Unit Trst. Mgrs. Co., Allen Harvey & Ross Unit Trst. Mgrs., and others, including their names, addresses, and contact information.

Table listing various unit trusts such as 22 Broadland St. Unit Trst. Mgrs., E. F. Winchester Fund Mgmt. Ltd., and others, including their names, addresses, and contact information.

Table listing various unit trusts such as Mayfield Management Co. Ltd., Target Trst. Mgrs. Ltd., and others, including their names, addresses, and contact information.

Table listing various unit trusts such as Commercial Union Group, Confederal Life Insurance Co., and others, including their names, addresses, and contact information.

Table listing various unit trusts such as Scottish Widows, London & Manchester Ass. Co., and others, including their names, addresses, and contact information.

INSURANCE PROPERTY BONDS

Table listing insurance and property bond companies such as Abbey Life Assurance Co. Ltd., HHI Samuel Ltd., and others, including their names, addresses, and contact information.

OFFSHORE & OVERSEAS FUNDS

Table listing offshore and overseas funds such as Alexander Fund, Bank of America International S.A., and others, including their names, addresses, and contact information.

NOTES: Price per unit... Dividend... etc.

Continued on previous page

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FT SHARE INFORMATION SERVICE

FOOD, GROCERIES—Cont.

BRITISH FUNDS

Table of British Funds with columns for Stock, Price, and Yield. Includes sections for 'Shorts' (Lives up to Five Years) and 'Five to Fifteen Years'.

FOREIGN BONDS & RAILS

Table of Foreign Bonds & Rails with columns for Stock, Price, and Yield.

BANKS & HP—Continued

Table of Banks & HP with columns for Stock, Price, and Yield.

CHEMICALS, PLASTICS—Cont.

Table of Chemicals, Plastics with columns for Stock, Price, and Yield.

ENGINEERING—Continued

Table of Engineering with columns for Stock, Price, and Yield.

AMERICANS

Table of American Stocks with columns for Stock, Price, and Yield.

Hire Purchase, etc.

Table of Hire Purchase, etc. with columns for Stock, Price, and Yield.

DRAPERY AND STORES

Table of Drapery and Stores with columns for Stock, Price, and Yield.

HOTELS AND CATERERS

Table of Hotels and Caterers with columns for Stock, Price, and Yield.

BEERS, WINES AND SPIRITS

Table of Beers, Wines and Spirits with columns for Stock, Price, and Yield.

INDUSTRIALS (Misc.)

Table of Industrials (Misc.) with columns for Stock, Price, and Yield.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of Building Industry, Timber and Roads with columns for Stock, Price, and Yield.

ELECTRICALS

Table of Electricals with columns for Stock, Price, and Yield.

INDUSTRIALS (Cont.)

Table of Industrials (Cont.) with columns for Stock, Price, and Yield.

INTERNATIONAL BANK

Table of International Bank with columns for Stock, Price, and Yield.

CANADIANS

Table of Canadian Stocks with columns for Stock, Price, and Yield.

BANKS AND HIRE PURCHASE

Table of Banks and Hire Purchase with columns for Stock, Price, and Yield.

COMMONWEALTH & AFRICAN LOANS

Table of Commonwealth & African Loans with columns for Stock, Price, and Yield.

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LOANS

Table of Loans with columns for Stock, Price, and Yield.

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Table of Food, Groceries with columns for Stock, Price, and Yield.

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INDUSTRIALS—Continued

Table of industrial stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

INSURANCE—Continued

Table of insurance stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

PROPERTY—Continued

Table of property stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

INVESTMENT TRUSTS—Cont.

Table of investment trusts including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

FINANCE, LAND—Continued

Table of finance and land stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

MINES—Continued

Table of mine stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

LEISURE

Table of leisure stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

SHIPPING

Table of shipping stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

SHOES AND LEATHER

Table of shoes and leather stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

SOUTH AFRICANS

Table of South African stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

TEXTILES

Table of textile stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publisher stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

PAPER, PRINTING ADVERTISING

Table of paper, printing, and advertising stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

PROPERTY

Table of property stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

TOBACCO

Table of tobacco stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

OIL & GAS

Table of oil and gas stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

OVERSEAS TRADERS

Table of overseas trader stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

RUBBERS AND SISALS

Table of rubber and sisal stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

TEAS

Table of tea stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

INDIA AND BANGLADESH

Table of India and Bangladesh stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

SRI LANKA

Table of Sri Lanka stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

AFRICA

Table of African stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

MINES CENTRAL RAND

Table of Central Rand mine stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

EASTERN RAND

Table of Eastern Rand mine stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

FAR WEST RAND

Table of Far West Rand mine stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

O.F.S.

Table of O.F.S. stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

FINANCE

Table of finance stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

COPPER

Table of copper stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

MISCELLANEOUS

Table of miscellaneous stocks including companies like Anglo-Tex, Anglo-Tex, Anglo-Tex, etc. with columns for stock price, change, and volume.

NOTES

Notes section containing various financial notices, company announcements, and market updates.

REGIONAL MARKETS

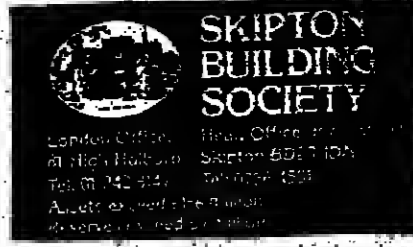
Table of regional market data including stock prices and market indices for various regions.

OPTIONS 3-month Call Rates

Table of 3-month call option rates for various companies and markets.

DIAMOND AND PLATINUM

Table of diamond and platinum market data including prices and volumes.



## Soviets off target on Five-Year Plan

BY DAVID SATTER IN MOSCOW

THE SOVIET UNION announced a significant cut yesterday in its industrial growth targets for 1980 in a bleak economic projection which confirmed that the economy would fall far short of meeting its targets in the current Five-Year Plan.

who sharply criticised the performance of the economy in a separate speech to the Central Committee on Tuesday. He berated several Ministers, and revealed that the grain harvest in 1979 had slumped to 179m tonnes from a record 237m tonnes last year.

heavy industry, or category "A" production, the traditional mainstay of the plan, was cut by 1.5 per cent in 1980 from a target of 5.5 per cent last year.

Starting with a hard winter, this year has been the worst since the start of the plan. The deficit in the budget has risen to 1.5 per cent, and this year's deficit is expected to reach 2.5 per cent.

Mr. Baibakov also announced scaled-down energy targets for 1980 and a cut in defence spending of \$155m. The Soviet Union is to produce 606m tonnes of oil in 1980 instead of 640m tonnes, the figures envisaged when the Five-Year Plan was announced in 1976; and only 745m tonnes of coal instead of the original target of 805m tonnes.

## Front moves closer to agreement on ceasefire

BY BRIDGET BLOOM AND MICHAEL HOLMAN

AGREEMENT BETWEEN the Patriotic Front guerrilla alliance and Britain on the principles of a ceasefire in the seven-year Rhodesian war seemed in sight last night.

originally envisaged. This could well be accepted by the Front, even though it has insisted that a force of "several thousand" is necessary.

the Salisbury forces, which would remain in their existing strategically-placed bases. Initial reaction to Lord Carrington's proposal from the Front was cautious, with delegates believing there might have to be more negotiations on the third-point area in particular.

## Shell raises prices but drivers put supplies in jeopardy

BY PHILIP BASSETT AND SUE CAMERON

SHELL UK's petrol supplies were threatened yesterday by a dispute with its tanker drivers over contract labour. At the same time, the company put up the price of its four-star petrol by 1.77p a gallon, which will mean an extra 2p a gallon on pump prices.

Shell gave the drivers until 3 pm on Tuesday to rescind their decision, and then stopped their pay. A spokesman emphasised yesterday that they had been neither suspended nor locked out.

## Callaghan in new defeat on party

BY ELINOR GOODMAN, LOBBY STAFF

MR. JAMES CALLAGHAN'S authority as leader of the Labour Party received a further serious blow yesterday when he was defeated yet again by the party's national executive.

satisfaction within the PLP and that since the committee also seemed to share these worries, the executive ought to reconsider its decision.

and his deputy, Mr. Foot. The Shadow Cabinet had expected to be offered one seat for Mr. Fred Willey, as chairman of the PLP, but all they were offered was observer status for Mr. Michael Cocks the chief whip.

## Weather

RAIN; showers spreading from W and N. S.E., N.E. England, Midlands Cloudy, occasional rain. Max. 14C (57F).

## 'Alcohol plan will hit UK chemical industry'

BY SUE CAMERON, CHEMICALS CORRESPONDENT

EUROPEAN COMMISSION proposals to subsidise agricultural alcohol production using the so-called wine lakes and other surplus products could severely hit the UK chemical industry, chemical manufacturers have told the Government.

complex in Grangemouth, Scotland. But it could be forced to stop the construction of the plant if the proposed regulation goes through. There is even concern the group could be faced with having to pull out of the synthetic alcohol market altogether.

## THE LEX COLUMN

# The cash bulge in retailing

Although there was some nervousness early yesterday morning about the possibility of big foreign applications for the new long tap, applications appear to have been for less than £200m nominal.

Index rose 4.4 to 416.9



after a 9 per cent UK price increase in April, with pre-tax profits rising 20 per cent to £21.2m. Last year's dramatic improvement in France, following the ending of price controls, is fully sustained.

Retailing As the manufacturing sector heads deeper into financial deficit, the cash surpluses common in retailing stand out more starkly in contrast.

provement. But if retailers are driven to try to grab each other's markets, and their suppliers find it hard to maintain the length of credit conditions could become quite a bit less favourable in 1980.

Johnson Matthey If market, rather than base, prices are used to value precious metal stocks, Johnson Matthey's shares are backed by assets of 416p each, against a share price of 202p - up 42p yesterday.

Dayway Day News that Britannia Arrow is considering a counter bid for Dayway Day raises two obvious questions. Is Dayway worth a lot more than the 60p per share which Rothschild Investment Trust has already offered?

BPB Industries Price decontrol in the UK and France is quickly proving viable for BPB Industries, the monopoly manufacturer of plasterboard in the UK.

## Overhaul for supplementary benefits

BY DAVID CHURCHILL

PROPOSALS for radical changes in the supplementary benefits scheme were published by the Government last night. Changes put forward in a White Paper include abolition of the Supplementary Benefits Commission, the setting up of an advisory body to replace it, complete revision of the scheme's legal structure and publication of the rules governing entitlement to benefits.

The measures detailed in the White Paper will be contained in a Bill to be published today. The wide-ranging overhaul of the supplementary benefits scheme follows the publication last year of a report by a Whitehall review committee.

present two-year qualifying period for the higher long-term rate of benefits should be reduced to one year. The unemployed, as at present, would not qualify for the long-term rates.

## Stormy summit

factory solution is within reach. Support is clearly growing among other EEC governments for a proposal by the European Commission to change the so-called corrective mechanism designed to limit imbalances in national budget payments, which would reduce Britain's net contributions by about £350m annually over the next three or four years.

such as coal, transport and agricultural improvement. The budget dispute is expected to overshadow all other items on the agenda including the Commission's latest proposals for restraining farm spending; energy policy; the future of Europe's micro-electronics industry; and a report on the functioning of EEC's institutions.

Iran Deutsche Babcock is a publicly quoted company whose shares are "bearer shares." No injunctions can be obtained until it is discovered precisely where they are lodged.

## Iran

Supply and demand are now fairly evenly balanced in the European synthetic alcohol market at about 400,000 tonnes a year. But the Chemical Industries Association fears the appearance of an extra 100,000 tonnes of cheap, subsidised agricultural alcohol would distort it completely.

At present synthetic alcohol is far cheaper to produce than agricultural alcohol. Synthetic alcohol currently sells for about £250 a tonne while agricultural alcohol costs about £1,250 a tonne.

## Car workers are recalled

PRESSED Steel Fisher has recalled 680 workers to its Cowley plant, near Oxford, to make more car bodies for the Maxi range. These workers were among 2,000 laid off last week because engine shortages had stopped Marina and Princess production at the Austin Morris plant.

## The vital link

Thinking about doing business Down Under? Contact us at the Commonwealth Trading Bank of Australia. We're part of Australia's largest banking group and our London branch provides the vital link between you and all aspects of Australian finance.

